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COMMITTEE OF UNSECURED CREDITORS

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE NORTHERN DISTRICT OF TEXAS
DALLAS DIVISION**

In re:	§	
	§	Chapter 11
	§	
BUCKINGHAM SENIOR LIVING	§	Case No. 25-80595 (MVL)
COMMUNITY, INC.,	§	
	§	
Debtor.	§	

**OFFICIAL COMMITTEE OF UNSECURED CREDITORS'
MOTION TO DETERMINE STANDING OR, ALTERNATIVELY,
FOR ORDER GRANTING STANDING TO PURSUE CLAIMS**

If you object to the relief requested, you must respond in writing. Unless otherwise directed by the Court, you must file your response electronically at <https://ecf.txnb.uscourts.gov/> no more than twenty-four (24) days after the date this motion was filed. If you do not have electronic filing privileges, you must file a written objection that is actually received by the clerk and filed on the docket no more than twenty-four (24) days after the date this motion was filed. Otherwise, the Court may treat the pleading as unopposed and grant the relief requested.

A hearing will be conducted on this matter on March 25, 2026, at 1:30 pm (prevailing Central Time) in Courtroom 2, Floor 14, 1100 Commerce Street, Dallas, TX 75242-1496. You may participate in the hearing either in person or by an audio and video connection.

Audio communication will be by use of the Court's dial-in facility. You may access the facility at 650-479-3207, access code 160-135-6015. Video communication will be by use of the Cisco WebEx platform. Connect via the Cisco WebEx application or click the link on Judge Larson's home page. Click

the settings icon in the upper right corner and enter your name under the personal information setting.

Hearing appearances must be made electronically in advance of electronic hearings. To make your appearance, click the “Electronic Appearance” link on Judge Larson’s home page. Select the case name, complete the required fields and click “Submit” to complete your appearance.

The Official Committee of Unsecured Creditors (the “Committee”) in the chapter 11 case of Buckingham Senior Living Community, Inc. (“Buckingham” or the “Debtor”) files this *Motion to Determine Standing or, Alternatively, for Order Granting Standing to Pursue Claims* (the “Motion”):

I. SUMMARY

1. Section 246.111 of the Texas Health and Safety Code grants the residents of a Continuing Care Retirement Community (“CCRC”) a lien on all real and personal property of the provider to secure the provider’s obligations to the resident. In connection with obtaining entrance to the Buckingham, residents (the “Residents”) entered into certain agreements with the Debtor. Residents that enter into either a Life Care Agreement or a Fee for Service Agreement (together, “Entrance Fee Agreements”) are required to pay an entrance fee (the “Entrance Fee”) in order to take occupancy at the Facility, and a monthly service fee (the “Monthly Service Fee”) for the Facility to provide life care services to Residents. *Id.* at ¶ 16(a), (b). According to the Debtor, recent Entrance Fees ranged from \$220,000 – \$1,200,000 under Life Care Agreements, and from \$160,000 – \$1,100,000 under Fee for Service Agreements, exclusive of all other fees required in the Residency Agreements. *Id.*

2. The Entrance Fee Agreements, in turn, typically contain material refund obligations with respect to the Entrance Fees, including 90%, 50% (available only to residents executing Life Care Agreements), and 0% refundable Entrance Fee plans. Residents are entitled to their Entrance

Fee Refunds upon certain conditions, including when (a) a Resident terminates the Residence Agreement, (b) a Resident passes away (or in the case of two Entrance Fee Residents living in the same unit, both pass away), or (c) the Debtor terminates the Residency Agreement pursuant to the terms of the agreement.

3. Currently, the Debtor owes:

- (a) Approximately \$38 million in refunds owed to former Residents or their heirs/estates that became payable prior to the Debtor's 2021 Bankruptcy Case;
- (b) Approximately \$34 million in refunds owed to former Residents or their heirs/estates that arose after the effective date of the Plan in the Debtor's 2021 Bankruptcy Case; and
- (c) Approximately \$75 million in refundable Entrance Fee obligations owed to current Residents.

4. The rights to obtain the refunds are "claims" held by the Current Residents¹ as creditors of the Debtor. Attached as **Exhibit A** is the Committee's proposed *Complaint to Determine Extent, Priority and Validity of Liens of UMB Bank, N.A. and for Equitable Subordination* (the "Complaint"). As discussed below, the Committee has standing to pursue the claims in the Adversary, and requests entry of an order confirming the standing to pursue these claims. To the extent that the Court determines that the Committee lack standing, the Committee requests that the Court grant standing for the Committee to pursue such claims.

5. The Committee also seeks equitable subordination of UMB's liens to the extent necessary to pay the claims of unsecured creditors. As discussed in the Complaint, following the 2021 Bankruptcy Case, UMB acted improperly and inequitably in directing the affairs of the Debtor.

¹ As defined in the Complaint, "Current Residents" include the categories outlined in ¶3 of this Motion.

II. JURISDICTION AND VENUE

6. The United States Bankruptcy Court for the Northern District of Texas, Dallas Division (the “Court”), has jurisdiction over this Motion pursuant to 28 U.S.C. §§ 157 and 1334. This matter is a core proceeding pursuant to 28 U.S.C. § 157(b)(2)(A), (K) and (O).

7. Venue is proper in this district under 28 U.S.C. § 1409(a).

III. BACKGROUND

8. As set forth above, the Committee represents the interests of the Residents, as creditors of the Debtor, in connection with recovery of any Entrance Fees.

Texas Health and Safety Code

9. The Texas Health and Safety Code provides:

Sec. 246.111. LIEN.

(a) To secure the obligations of the provider under any continuing care contract, a lien attaches on the date a resident first occupies a facility or receives services under a continuing care contract. The lien covers the real and personal property of the provider located at the facility.

...

(c) A lien under this section is subordinate to any liens on the property of the facility if the proceeds of the loan secured by the liens were used in whole or in part to:

- (1) construct, acquire, replace, or improve the facility; or
- (2) refinance an earlier loan used to construct, acquire, replace, or improve the facility.

Tex. Health & Safety Code §246.111.

10. As discussed more fully in the Complaint, UMB Bank, N.A. (“UMB”) as Trustee, asserts that it holds a prepetition secured claim in the amount of \$168,840,000 plus accrued interest, fees, and expenses, for the benefit of the beneficial holders of the Retirement Facility Revenue Bonds (Buckingham Senior Living Facility, Inc. Project) Series 2021A-1 and Series

2021A-2 (Federally Taxable) (together, the “Series 2021A Bonds”) in the original aggregate principal amount of \$28.5 million and Series 2021B in the original aggregate principal amount of \$140,340,000 (collectively, the “Series 2021 Bonds”). The Series 2021 Bonds were issued as part of the plan confirmed in the Debtor’s prior bankruptcy case (the “2021 Case”).²

11. With one exception (as discussed below), the proceeds of the Series 2021A Bonds were not used for the purposes designated in §241.111(c) of the Texas Health and Safety Code. Instead, as described in the plan confirmed in the 2021 Case (the “2021 Plan”), “[t]he Series 2021A Bonds shall be issued as current paying bonds in the principal amount of \$28,500,000.” 2021 Plan, p. 128. Of that amount, \$3.450 million was designated for “lobby refurbishment and capital expenditures[.]” *Id.* The remaining amount received by the Reorganized Debtor from the issuance of the Series 2021A bonds was designated for working capital, a debt service reserve, a distribution to the Pre-Effective Date Refund Queue, and costs of issuance. *Id.* The issuance of the Series 2021B Bonds resulted in no additional proceeds provided to the Reorganized Debtor. Instead, “[o]n the Effective Date, the holders of the Existing Bonds shall exchange the then outstanding Existing Bonds for Series 2021B Bonds . . . The principal amount of the Series 2021B Bonds is equal to 100% of the principal amount of the Existing Bonds.” *Id.*

12. The claims and lien of the Current Residents are senior to the lien asserted by UMB.

Equitable Subordination

13. As set forth in the Complaint, the Committee also seeks equitable subordination of UMB’s lien, to the extent necessary to pay the claims of unsecured creditors. The basis is outlined

² *In re Buckingham Senior Living Community, Inc.*, No. 21-32155 (MI), in the United States Bankruptcy Court for the Southern District of Texas, Houston Division.

in the Complaint but, in general, includes the overreaching and inequitable conduct of UMB in directing the financial and operational activities of the Debtor after the 2021 Case.

IV. NATURE OF CLAIMS AND STANDING

Extent, Validity and Priority of Liens

Texas Health and Safety Code

14. By way of the Complaint, the Committee first seeks a declaratory judgment as to the extent, validity and priority of the liens in favor of the Current Residents under the Texas Health and Safety Code in relation to the lien asserted by UMB. UMB asserts a first priority lien and, accordingly, an actual controversy exists entitling the Current Residents to seek a declaration regarding the “rights and other legal relations of any interested party” under 28 U.S.C. §§ 2201, 2202. A party has standing under § 2201 where it establishes “actual present harm or significant possibility of future harm.” *Roark & Hardee, LP v. City of Austin*, 522 F.3d 533, 542 (5th Cir. 2008). Here, without a declaration of the Current Residents’ lien, the funds which would otherwise be paid to the Current Residents will be paid to UMB.

15. As the Court is aware, the sale of the Debtor’s property is set to close on or before June 5, 2026. See ECF 266 at p. 56 (defining “Outside Closing Date”). As a result, funds will be available to pay certain lien claims, and UMB seeks recovery of its debt from the proceeds of the sale. Any payment to UMB should occur only after the lien in favor of the Current Residents is paid from the sale proceeds.

16. Accordingly, the Committee, on behalf of the Current Residents, is seeking a determination of the lien rights and right to payment for its constituency. To the extent there is any dispute as to standing, the Committee seeks entry of an order determining that it has standing to bring the claims set forth in the Complaint.

Standing under the Texas Health and Safety Code

17. Based upon the plain language of the statute, the lien recognition under § 246.111(a) of the Texas Health and Safety Code is (1) automatic and (2) not dependent upon any action being taken by the State of Texas. The Committee acknowledges that § 246.111(e) states that “A lien under this section may be foreclosed on application of the board³ if the facility is liquidated or the provider is insolvent or bankrupt.” That provision does not prevent the Committee from pursuing the relief requested in the Complaint.

18. The Committee does not seek lien foreclosure. Instead, as noted above, the Committee seeks a determination of the extent, validity and priority of competing lien claims, which will govern the payment waterfall from proceeds of the sale of the Debtor’s property.

19. Additionally, even if the action is somehow determined to seek a “foreclosure,” the statute does not purport to provide exclusive rights to the State. Even if the statute is interpreted as a right to be exercised by the State, this Court should grant standing to the Committee to pursue a foreclosure, if it is necessary. This Court has broad powers under 11 U.S.C. §105(a) to issue “any order, process or judgment that is necessary and appropriate to carry out the provisions of this title.” *See* 11 U.S.C. §105(a). This section provides “broad equitable power” which “exceeds the equitable authority available under traditional equity jurisprudence.” *In re City of Detroit, Mich.*, 519 B.R. 673, 679-80 (Bankr. E.D. Mich. 2014). While a bankruptcy court may not use this provision to create new substantive rights or contravene specific provisions of the Bankruptcy Code, § 105(a) permits a court to fashion remedies to enforce a right. *In re Cano*, 410 B.R. 506, 539-40 (Bankr. S.D. Tex. 2009); *see also Jove Engineering, Inc. v. IRS (In re Jove Engineering, Inc.)*, 92 F.3d 1539, 1554 (11th Cir. 1996)(“Therefore, the plain meaning of §105(a) encompasses

³ “Board” means the Texas State Board of Insurance. Tex. Health & Safety Code, §246.002(1).

any type of order, whether injunctive, compensative or punitive, so long as it is necessary and appropriate to carry out the provisions of the Bankruptcy Code.”). In addition to protecting the Committee’s (and Current Residents’) rights under Bankruptcy Rule 7001, utilizing § 105 is appropriate to protect the Current Residents’ rights to the appropriate claim priority under 11 U.S.C. § 502, 506 and the rights to distribution of sales proceeds from a sale free and clear of liens under 11 U.S.C. § 363.

Derivative Standing

20. The Committee does not believe that the claims in the Complaint are estate-owned claims, as the lien is in favor of the Current Residents. To the extent that any party argues, or that the Court determines, that any of the claims are estate-owned claim, the Committee seeks standing to pursue the claims.

21. The Committee does seek derivative standing to pursue the claim for Equitable Subordination set forth in the Complaint.

Requirements for Standing

22. Courts in the Fifth Circuit have long recognized that sections 1103(c) and 1109(b) of the Bankruptcy Code permit creditors’ committees to prosecute claims on behalf of debtors’ estates with the approval of the bankruptcy court. *See In re SI Restructuring, Inc.*, 714 F.3d 860, 863–64 (5th Cir. 2013). There is no “formalistic checklist” under Fifth Circuit jurisprudence for granting standing to a committee. *See La. World Exposition v. Federal Ins. Co. (In re La. World Exposition, Inc.)*, 858 F.2d 233, 247 (5th Cir. 1988). However, courts generally require that: (1) the proposed claim must be colorable, (2) the debtor-in-possession has refused unjustifiably to pursue the claim, and (3) the committee has received leave to sue from the bankruptcy court. *Id.* (dismissal of committee complaint against officers and directors reversed; recognizing standing of

creditors' committee to pursue claims under sections 1103(c)(5), 1109(b), and applicable law); *see also La. World Exposition, Inc. v. Fed. Ins. Co. (In re La. World Exposition, Inc.)*, 832 F.2d 1391, 1397–98 (5th Cir. 1987) (creditors' committee may sue on behalf of trustees or debtors in possession under specified circumstances); *accord Official Comm. of Unsecured Creditors of Cybergenics Corp. v. Chinery*, 330 F.3d 548, 579 (3d Cir. 2003) (en banc) (derivative standing appropriate where a debtor “unreasonably refuses to pursue” a fraudulent transfer action); *Official Employment-Related Issues Comm. v. Lavorato (In re Enron Corp.)*, 319 B.R. 128, 131 (Bankr. S.D. Tex. 2004) (citing recognized factors).

23. In this case, the Debtor has already stipulated to the extent, validity and priority of UMB's lien, and agreed not to challenge UMB's lien. Accordingly, the Debtor cannot pursue the actions which the Committee seeks to pursue.

24. With respect to the existence of a “colorable claim,” Fifth Circuit case law does not specifically define a “colorable” claim, but it is not a stringent standard. *See La. World Exposition*, 858 F.2d at 247 n.15 (“In short, the Committee demonstrated the existence of a potential cause of action.”); *In re Enron Corp.*, 319 B.R. at 132 (“The defendants received transfers within days of the Enron bankruptcy cases. That in and of itself makes the avoidance claims colorable.”); *Brown v. Chestnut, (In re Chestnut)*, 400 B.R. 74, 82 (N.D. Tex. 2009), *aff'd*, No. 09-10145, 2009 U.S. App. LEXIS 27686 (5th Cir. Dec. 17, 2009) (“colorable claim” approximates “arguable claim”). A colorable claim for purposes of a standing motion is a claim that has “a possibility of success,” *In re McConnell*, 122 B.R. 41, 44 (Bankr. S.D. Tex. 1989), or “raise[s] serious issues for determination.” *In re ABC Utils. Servs.*, No. 89-41420-BJH-7, 2001 Bankr. LEXIS 2240, at *27 (Bankr. N.D. Tex. Oct. 9, 2001).

The Committee has asserted “Colorable” Claims

25. There is no question that, at a minimum, the claims asserted by the Committee are “colorable.” The first claim arises directly from the Texas Health and Safety Code. The claim is based upon Entrance Fee deposits which, the Committee believes, are uncontested. UMB is asserting that its lien is senior to all liens. Accordingly, even though only a showing of a “potential” cause of action is necessary, the claim is far more than “potential.”

26. With respect to the claim for equitable subordination, such a claim is recognized where (1) the defendant engaged in inequitable conduct; (2) the conduct resulted in harm to the creditors or conferred an unfair advantage to the defendant; and (3) subordination is not inconsistent with the Bankruptcy Code. *Wooley v. Faulkner (In re SI Restructuring, Inc.)*, 532 F.3d 355, 360 (5th Cir. 2008). Control by a third party to the detriment of other creditors can give rise to equitable subordination. *In re Cajun Elec. Coop., Inc.*, 119 F.3d 349, 357. This can include actions by a lender that amount to improper control of a debtor’s finances or other actions that harm a debtor. *See In re Lois/USA, Inc.*, 264 B.R. 68, 136 (Bankr. S.D.N.Y. 2001)(lender’s exercise of control over a debtor’s operations can form the basis for equitable subordination). Fraud is not required to support equitable subordination, and instead only requires inequitable conduct that results in harm to the debtor or other creditors. *Capitol Bank & Trust Co. v. 604 Columbus Avenue Realty Trust (In re 604 Columbus Avenue Realty Trust)*, 968 F.2d 1332, (1st Cir. 1992)(relying upon the Fifth Circuit’s test articulated in *In re Mobile Steel Co.*, 563 F.2d 692 (5th Cir. 1977); *Faulkner v. AimBank (In re Reagor-Dykes Motors, LP)*, No. 20-05039, 2021 WL 1219537 at *10-11 (Bankr. N.D. Tex. March 30, 2021).

27. Under these standards, the Committee has stated a “colorable” claim. As set forth in the Complaint, the Committee has alleged facts and a cause of action, for equitable

subordination. These include, but are not limited to, the actions of UMB in connection with the requirements under the series of forbearance agreements, the manipulation of the Debtor's cash flow, exercise over the Entrance Fee deposits, and the ongoing undercapitalization and restriction of funds and the use of funds by the Debtor. While UMB will certainly dispute the nature of the conduct, the claim is "colorable."

WHEREFORE, based on the forgoing, the Committee request that the Court grant the requested relief, and that the Committee have such other and further relief to which it may be entitled.

Respectfully submitted,

KANE RUSSELL COLEMAN LOGAN PC

By: /s/ Mark C. Taylor

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**CO-COUNSEL TO THE OFFICIAL
COMMITTEE OF UNSECURED CREDITORS**

CERTIFICATE OF SERVICE

A true and correct copy of the foregoing was served on all parties receiving ECF notifications, as well as counsel for UMB Bank, N.A. and the other parties on the attached service list by e-mail, on February 17, 2026.

/s/ Mark C. Taylor

Mark C. Taylor

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EXHIBIT A

Complaint

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CO-COUNSEL FOR THE OFFICIAL
COMMITTEE OF UNSECURED CREDITORS

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE NORTHERN DISTRICT OF TEXAS
DALLAS DIVISION**

In re:	§	
	§	Chapter 11
	§	
BUCKINGHAM SENIOR LIVING	§	Case No. 25-80595 (MVL)
COMMUNITY, INC.,	§	
	§	
Debtor.	§	
OFFICIAL COMMITTEE OF UNSECURED	§	
CREDITORS,	§	
	§	
Plaintiff,	§	
	§	
v.	§	ADVERSARY NO. _____
	§	
UMB BANK, N.A.,	§	
	§	
Defendant.	§	

**OFFICIAL COMMITTEE OF UNSECURED CREDITORS' ORIGINAL COMPLAINT
TO DETERMINE EXTENT, PRIORITY, AND VALIDITY OF LIENS_
OF UMB BANK, N.A. AND FOR EQUITABLE SUBORDINATION**

The Official Committee of Unsecured Creditors (the "Committee" or "Plaintiff") in the above-captioned chapter 11 case of Buckingham Senior Living Community, Inc. ("Buckingham" or the "Debtor") files this *Original Complaint to Determine Extent, Priority, and Validity of Liens*

of *UMB Bank, N.A.* and for Equitable Subordination (the “Complaint”), and hereby alleges, upon its own knowledge or otherwise upon information and belief, as follows:

I. NATURE OF THIS ACTION

1. The above-captioned Chapter 11 case is the next chapter of an ongoing saga over the financial struggles surrounding the Debtor’s operation of the Buckingham facility as a Continuing Care Retirement Community (“CCRC”). The Committee brings this Adversary Proceeding to protect the interests of certain residents of the Buckingham facility, a population that is undisputedly the most vulnerable party impacted by the Bankruptcy Case, from both a financial and a health care perspective. The Debtor is responsible for hundreds of thousands of dollars in entrance fee refund obligations to each of those residents under certain of the residency contracts described below. In most instances, the entrance fees at issue represent a significant portion of the residents’ savings, a fact readily acknowledged by the Debtor.

2. The Committee brings this action against Defendant UMB Bank, N.A. (“UMB” or “Defendant”), in its capacity as the “Trustee” under the DIP Order (defined *infra*) pursuant to Rules 7001(b) and 7001(i) of the Federal Rules of Bankruptcy Procedure (the “Bankruptcy Rules”), sections 105 and 506 of title 11 of the United States Code (the “Bankruptcy Code”), and the Declaratory Judgment Act (28 U.S.C. § 2201).

3. By this Complaint, the Committee seeks an order and judgment determining of the amount, extent, validity, priority, and perfection of the prepetition liens and security interests asserted by UMB, pursuant to Bankruptcy Rules 7001(b) and 7001(i) and the Declaratory Judgment Act. For the reasons set forth below, UMB’s prepetition liens are subordinate to the statutory liens in favor of the residents provided by section 246.111 of the Texas Health Safety Code.

4. Additionally, for the reasons set forth below and based on UMB's inequitable and overreaching conduct in connection with directing the affairs of the Debtor, the Committee seeks equitable subordination of UMB's liens to the extent necessary to satisfy the claims of unsecured creditors.

II. JURISDICTION AND VENUE

5. The United States Bankruptcy Court for the Northern District of Texas, Dallas Division (the "Court"), has jurisdiction over this adversary proceeding pursuant to 28 U.S.C. §§ 157 and 1334. This matter is a core proceeding pursuant to 28 U.S.C. § 157(b)(2)(K).

6. Venue is proper in this district under 28 U.S.C. § 1409(a).

7. The Committee has filed its *Motion for Standing to Challenge Prepetition Liens and Claims* in the Debtor's bankruptcy case, in accordance with the DIP Order (as defined below), requesting the Court's determination regarding the Committee's standing to bring the causes of action asserted herein against UMB.

8. The Committee consents to the Court's entry of a final order or judgment in this proceeding.

III. PARTIES

9. Buckingham is the debtor-in-possession in the Chapter 11 case styled *In re Buckingham Senior Living Community, Inc.*, Case No. 25-80595 (MVL), pending in the United States Bankruptcy Court for the Northern District of Texas, Dallas Division (the "Bankruptcy Case").

10. The Committee is the Plaintiff in this Adversary Proceeding.

11. Defendant UMB is the bond trustee (in such capacity, the "Bond Trustee") under the Bond Indenture (as defined below), and master trustee (the "Master Trustee" and together with

the Bond Trustee, the “Trustee”) with respect to the Amended and Restated Master Trust Indenture, Deed of Trust and Security Agreement dated as of November 1, 2021, as supplemented by the Supplemental Indenture Number 1, dated as of November 1, 2021. *See Final Order (I) Authorizing the Debtor to (A) Obtain Postpetition Financing and (B) Utilize Cash Collateral, (II) Granting Liens and Superpriority Administrative Expense Claims, (III) Granting Adequate Protection, (IV) Modifying the Automatic Stay, and (V) Granting Related Relief* [ECF No. 180] (the “DIP Order”) at p. 2.¹

12. UMB is a national banking association, which may be served by serving its registered agent, United Agent Group, Inc., at its registered address located at 2595 N. Dallas Parkway, Suite 350, Frisco, Texas 75034.

IV. STATEMENT OF FACTS

A. The Debtor’s History and Operations²

13. The Debtor owns and operates a CCRC with its principal place of business at 8580 Woodway Drive, Houston, Texas 77063 (the “Facility”). *See Voluntary Petition for Non-Individuals Filing for Bankruptcy* [ECF No. 1]. According to the *Declaration of Michael Wyse in Support of Chapter 11 Petition and First Day Pleadings* (the “Wyse Declaration”) [ECF No. 21],

The Buckingham is one of the premier senior living facilities in the state of Texas. Located in the Memorial neighborhood and approximately 12 miles from downtown Houston, The Buckingham is a continuing care retirement community (“CCRC”) offering its residents (each, a “Resident” and collectively, the “Residents”) a continuum of care in a campus-style setting on its 800,000 square foot property (the “Community”). The Community sits on 23 acres of expansive and well-manicured land with gard and courtyards spread between walking trails.

¹ A true and correct copy of the DIP Order is attached hereto as **Exhibit 1**, and incorporated into this Complaint for all purposes.

² The statements made in this Section IV.A of this Complaint are based on information contained in pleadings, orders, and documents filed of record in the Debtor’s bankruptcy case, including, without limitation, (i) the Debtor’s stipulations in the DIP Order, (ii) the Wyse Declaration, (iii) the Sale Order, and/or (iv) the Debtor’s Bankruptcy Schedules. The Committee does not have personal knowledge of the information contained in such pleadings, orders, or documents, and the statements made in this Section IV shall not in any way constitute admissions by the Committee.

The Buckingham employs approximately 419 employees and consists of 495 independent living, assisted living, memory care, and skilled nursing units.

Wyse Declaration, ¶ 5. The Wyse Declaration is incorporated by reference into this Complaint for all purposes.

14. The Debtor operates as a Texas nonprofit corporation and a charitable organization under section 501(c)(3) of the Internal Revenue Code. *Id.* at ¶ 6. The Buckingham was originally established as part of a senior living portfolio owned by Senior Lifestyles Corporation (“SQLC”), a nonprofit organization founded in 2002. *Id.* at ¶ 7.

15. The Facility is comprised of 303 independent living residencies (“Independent Living”), 67 assisted living residencies (“Assisted Living”), 33 secure memory care residencies (“Memory Care”), and 92 skilled nursing rooms (“Skilled Nursing”). *Id.* at ¶ 14.

16. The Facility has historically offered multiple types of residency agreements to its residents, including Life Care Agreements, Fee for Service Agreements, and Rental Agreements. *Id.* at ¶ 16. Residents that enter into either a Life Care Agreement or a Fee for Service Agreement (together, “Entrance Fee Agreements”) are required to pay an entrance fee (the “Entrance Fee”) in order to take occupancy at the Facility, and a monthly service fee (the “Monthly Service Fee”) for the Facility to provide life care services to Residents. *Id.* at ¶ 16(a), (b). According to the Debtor, recent Entrance Fees ranged from \$220,000 – \$1,200,000 under Life Care Agreements, and from \$160,000 – \$1,100,000 under Fee for Service Agreements, exclusive of all other fees required in the Residency Agreements. *Id.* Monthly Service Fees for Residents executing Life Care Agreements range from \$4,300 – \$9,000, and such fees under Fee for Service Agreements fall between \$3,300 – \$7,600. *Id.*

17. The Entrance Fee Agreements, in turn, typically contain material refund obligations with respect to the Entrance Fees, including 90%, 50% (available only to residents executing Life

Care Agreements), and 0% refundable Entrance Fee plans. As set forth in the Wyse Declaration, Residents are entitled to their Entrance Fee Refunds upon certain conditions, including when (a) a Resident terminates the Residence Agreement, (b) a Resident passes away (or in the case of two Entrance Fee Residents living in the same unit, both pass away), or (c) the Debtor terminates the Residency Agreement pursuant to the terms of the agreement. *Id.* at ¶ 21.

18. According to the Debtor, the total Entrance Fee Refund obligations include:

- (a) Approximately \$38 million in refunds owed to former Residents or their heirs/estates that became payable prior to the 2021 Case (as defined below);
- (b) Approximately \$34 million in refunds owed to former Residents or their heirs/estates that arose after the effective date of the 2021 Plan; and
- (c) Approximately \$75 million in refundable Entrance Fee obligations owed to current Residents.

See id. at ¶¶ 37 – 39 and n. 4. Notably, “[b]ecause the (Debtor) has not received sufficient Entrance Fee proceeds to fully fund the refund obligations for several years, all former Residents owed Entrance Fee Refunds since 2021 have been placed in a queue to be paid as funds are available.” *Id.* at ¶ 21, n. 2. In other words, despite the Debtor’s unequivocal obligation to the contrary, on information and belief the Debtor has failed to pay *any* of its matured Entrance Fee Refunds since the 2021 Case.

B. The Buckingham’s 2021 Chapter 11 Case

19. The instant chapter 11 case is the second bankruptcy filed by the Debtor in the past five years. On June 25, 2021, the Buckingham commenced a chapter 11 case by filing a petition for relief in the Bankruptcy Court for the Southern District of Texas, Case No. 21-32155(MI) (the “2021 Case”).

20. On November 9, 2021, the Bankruptcy Court entered its *Findings of Fact, Conclusions of Law, and Order Confirming the Debtor's First Amended Plan of Reorganization* [2021 Case ECF No. 493] (the "Confirmation Order"), confirming a chapter 11 plan (the "2021 Plan") for the Buckingham. *See id.* A copy of the confirmed 2021 Plan and the Restructuring Term Sheet is annexed to the Confirmation Order, attached hereto as **Exhibit 2**.

i. Treatment of Secured Bond Claims in 2021 Case

21. When the Buckingham filed its 2021 case, it was then indebted under certain Series 2007 Bonds, Series 2014 Bonds, and Series 2015 Bonds (the "Secured Bonds"). The Confirmation Order (implementing the terms of the 2021 Plan) provided for the cancellation, discharge and termination of the then-existing Secured Bonds:

In accordance with Section 6.10 of the Plan, upon the Effective Date, except to the extent otherwise specifically provided in the Plan and in exchange for the consideration under the Plan, including, but not limited to the receipt of the 2021 Bonds, all notes, instruments, certificates, and other documents evidencing the Secured Bonds shall be cancelled and the obligations of the Debtor or the Reorganized Debtor thereunder or in any way related thereto shall be discharged and the Trustee shall be automatically and fully discharged from all duties and obligations thereunder. All existing security interests and/or Liens and/or any other Secured Claims related to the Secured Bonds shall also be automatically released, discharged, terminated, and of no further force and effect as of the Effective Date in consideration of the provisions of the Plan, including but not limited to the 2021 Bond Documents.

See Confirmation Order, ¶ 21, p. 44.

22. All existing security interests and/or liens and/or any other secured claims related to the Secured Bonds were also "automatically released, discharged, terminated, and of no further force and effect as of the Effective Date." *See id.*

23. Secured Bond Claims were classified in Class 2 of the 2021 Plan and were impaired. *See 2021 Plan, § 4.02.*

24. Secured Bond Claims were fixed in the allowed aggregate principal amount of \$140,340,000. *Id.*

25. Holders of Secured Bond Claims received their pro rata share of new Series 2021B Bonds that were issued by the reorganized Debtor in full and complete settlement, satisfaction, release and discharge of their allowed Secured Bond claims against the Debtor. *Id.*

26. New liens and security interests were granted under the 2021 Bonds, but the Debtor's property vested in the reorganized Debtor "free and clear of all Liens, Claims, charges, or other encumbrances" associated with the old Secured Bonds. Confirmation Order at ¶ 18.

27. As such, the Series 2021B Bonds do not represent a loan to construct, acquire, replace, or improve the Debtor's facility, nor were Series 2021B Bonds a refinancing of an earlier loan used to construct, acquire, replace, or improve the facility. Rather, the earlier loans giving rise to the Secured Bond Claims issued by the prepetition Debtor were cancelled, discharged and terminated, while the Series 2021B Bonds were issued by the reorganized Debtor as a plan distribution to holders of Secured Bond Claims.

ii. Treatment of Current Resident Claims

28. Under the 2021 Plan, claims held by current residents at the Buckingham as of the Effective Date of the 2021 Plan were classified as Class 5 Current Resident Claims. *See* 2021 Plan at § 4.05.

29. Under the 2021 Plan, the Class 5 Current Resident Claims were "unaltered and unaffected" by the 2021 Plan. *Id.*

30. Moreover, "[t]he Current Resident Agreements and all obligations thereunder" were assumed by the Buckingham. *Id.*

31. Claims in Class 5 were therefore treated as “unimpaired,” because, in accordance with section 1124(1) of the Bankruptcy Code and Section 4.05 of the 2021 Plan, the 2021 Plan did not alter the legal, equitable, and contractual rights of the current residents.

32. As a result of this treatment, any statutory lien rights of such current residents were unaffected by the entry of the Confirmation Order and confirmation of the 2021 Plan, and remained in full force and effect thereafter.

C. Prepetition Claims and Liens Asserted by UMB³

33. UMB’s prepetition claims in this chapter 11 case arise from the issuance of the new Series 2021A Bonds and Series 2021B Bonds under the 2021 Plan following the discharge, cancellation and extinguishment of UMB’s previous secured claims administered under the 2021 Plan.

34. The Debtor has stipulated in the DIP Order that UMB holds a prepetition secured claim in the amount of \$168,840,000 plus accrued interest, fees, and expenses, for the benefit of the beneficial holders of the Retirement Facility Revenue Bonds (Buckingham Senior Living Facility, Inc. Project) Series 2021A-1 and Series 2021A-2 (Federally Taxable) (together, the “Series 2021A Bonds”) in the original aggregate principal amount of \$28.5 million and Series 2021B in the original aggregate principal amount of \$140,340,000 (collectively, the “Series 2021 Bonds”). DIP Order, ¶¶ H, I.

35. According to the Restructuring Term Sheet incorporated into the 2021 Plan and approved by the Confirmation Order, “[t]he Series 2021A Bonds shall be issued as current paying

³ The statements made in this Section IV.B of this Complaint are based on information contained in pleadings, orders, and documents filed of record in the Debtor’s bankruptcy case, including, without limitation, (i) the Debtor’s stipulations in the DIP Order, (ii) the First Day Declaration, (iii) the Sale Order, and/or (iv) the Debtor’s Bankruptcy Schedules. The Committee does not have personal knowledge of the information contained in such pleadings, orders, or documents, and the statements made in this Section IV.C shall not in any way constitute admissions by the Committee.

bonds in the principal amount of \$28,500,000.” 2021 Plan, p. 128. Of that amount, \$3.450 million was designated for “lobby refurbishment and capital expenditures[.]” *Id.* The remaining amount received by the Reorganized Debtor from the issuance of the Series 2021A bonds was designated for working capital, a debt service reserve, a distribution to the Pre-Effective Date Refund Queue, and costs of issuance. *Id.*

36. The issuance of the Series 2021B Bonds resulted in no additional proceeds provided to the Reorganized Debtor. Instead, “[o]n the Effective Date, the holders of the Existing Bonds shall exchange the then outstanding Existing Bonds for Series 2021B Bonds . . . The principal amount of the Series 2021B Bonds is equal to 100% of the principal amount of the Existing Bonds.” *Id.*

37. The Debtor additionally stipulated that pursuant to the Bond Documents (as defined in the DIP Order), including liens and security interests granted therein, UMB holds valid and perfected first priority liens and security interests in substantially all of the Debtor’s real and personal property as security for the Bonds. *Id.* at ¶ K. A copy of the Bond Documents (ECF No. 459-3 (Plan Supplement Exhibit C) in the 2021 Case) is attached as **Exhibit 3**.

38. On information and belief, UMB asserts that its prepetition liens attach to and are perfected in all or substantially all of the Debtor’s assets (the “Prepetition Collateral”). Schedule D of the Debtor’s Bankruptcy Schedules (as defined below) reflect four prepetition secured claims held by UMB⁴ totaling \$182,514,629.38 and secured by “substantially all of the Debtors’ (sic) assets” (the “Prepetition Claim”). *See* ECF No. 175, pp. 21 – 23.

⁴ Schedule D identifies “UMB Financial, NA” as the creditor holding the Prepetition Claim, however, the DIP Order reflects UMB Bank, N.A., as Trustee to whom the Debtor is obligated under the Bond Documents (as defined in the DIP Order). DIP Order at pp. 2, 5 – 6.

D. The Buckingham's 2025 Chapter 11 Case

39. On November 17, 2025 (the “Petition Date”), the Debtor filed a voluntary petition for relief in this Court under Chapter 11 of the Bankruptcy Code. The Debtors are operating as debtors-in-possession under sections 1107 and 1108 of the Bankruptcy Code. The U.S. Trustee appointed the Committee on December 3, 2025, under section 1102(a)(1) of the Bankruptcy Code. *See Notice of Appointment of the Official Unsecured Creditors’ Committee* [ECF No. 102]. No trustee or examiner has been appointed in the Debtor’s bankruptcy cases.

40. The events leading to the Debtor’s bankruptcy filing are detailed in the Wyse declaration filed by the Debtors on the Petition Date.

41. As noted in the Wyse Declaration, the Buckingham’s funded debt in the instant case stems from the prior 2021 Case. Wyse Declaration at ¶ 31.

42. The funded debts include \$140.3 million in principal amount owed under the Series 2021B Bonds that were issued under the 2021 Plan. *See id.*

43. As noted above, the Buckingham also entered into its second chapter 11 case with significant obligations to current residents as of the effective date of the 2021 Plan and individuals who became residents thereafter (collectively, the “Current Residents”).

44. On December 22, 2025, the Debtor filed its schedules A/B and D-H (the “Bankruptcy Schedules”) [ECF No. 175]. The Bankruptcy Schedules are incorporated by reference into this Complaint for all purposes.

45. On December 29, the Court entered the DIP Order.

46. On February 3, 2026, the Court entered its *Order (I) Approving Asset Purchase Agreement Between the Debtor and the Successful Bidder; (II) Authorizing the Sale of Substantially All of the Debtor’s Assets Free and Clear of Liens, Claims, Encumbrances, and*

Interests, Except for Certain Permitted Liens and Assumed Liabilities; (III) Authorizing the Assumption and Assignment of Certain Executory Contracts and Unexpired Leases; and (IV) Granting Related Relief (the “Sale Order”) [ECF No. 266]. The Sale Order authorized the Debtor to sell substantially all of its assets (the “Sale”) to Focus SH Acquisitions LLC (the “Purchaser”) under the terms of an Asset Purchase Agreement (the “APA”) attached as Exhibit 1 to the Sale Order. The Sale Order and the APA are incorporated by reference into this Complaint for all purposes.

47. Under the Sale Order, the assets were sold to the Purchaser free and clear of liens and claims, with such liens and claims attaching to the proceeds of the sale in the same order of priority, with the same validity, force, and effect that such liens and claims had prior to the closing of the sale. *See id.* at ¶¶ GG, JJ, 8, and 10.

48. The Sale Order further provides that the Net Proceeds (as defined in the Sale Order) from the Sale are not to be distributed until any Challenge (as defined in the DIP Order), including the claims and causes of action asserted in this Complaint, are resolved. Specifically, the Sale Order states:

With the exception of the payment of the DIP Obligations and the payment of the amounts due in accordance with the Allocation Agreement, no other distributions of the Net Proceeds shall be made by the Debtor to the Trustee until (a) the Investigation Period (as defined in the order entered by the Court at Docket No. 180, the “**DIP Order**”) expires without a Challenge (as defined in the DIP Order) having been brought at which point the Net Proceeds, less reasonable and necessary winddown costs agreed to by the Debtor, the Committee, and Bond Trustee or otherwise ordered by the Court, will be distributed to the Bond Trustee without further order of the Court), or (b) any Challenge has been resolved by final order of this Court or any other applicable court.

Sale Order, ¶ 22.

49. The sale is currently expected to close on or about June 5, 2026.

E. UMB's Overreaching and Inequitable Conduct

50. Following the confirmation of the 2021 Plan, the Debtor operated at a loss, and continued to operate at a loss. Fundamentally, the Debtor was undercapitalized from the outset following confirmation, and UMB upon information and belief was aware, or should have been aware, that the Debtor lacked adequate cash flow and capital.

51. The Debtor defaulted in payment of interest to the Series 2021 Bonds. UMB began a course of exercising control over the Debtor's finances, expenditures and business decisions, implemented through a series of forbearance agreements (the "Forbearance Agreements"). Pursuant to the Forbearance Agreements and other actions by the Debtor, among other things:

- a. The Debtors were required to reduce Entrance Fees in an attempt to spur sales, along with converting certain units to rental units;
- b. The Debtors were placed on what essentially a cash collateral budget, limiting expenditures and requiring Bank consent;
- c. Entrance Fees were required to be placed in an escrow account for 12 months (which provision was renewed throughout the Forbearance Agreements);
- d. UMB mandated a sale process, set unrealistic milestones of a sale of the Debtor's property, and pressured the Debtor to utilize UMB's hand-selected investment banker; and
- e. UMB refused to fund millions needed for capital expenditures and marketing, further reducing the Debtor's ability to generate revenues.

52. Fundamentally, UMB embarked on a course of conduct which placed it in control of the Debtor's operations and finances, while limiting access to both reserve funds and the ability to fund operations (and repayments to Current Residents) from cash flow. UMB effectively

controlled the Board, which acquiesced to UMB's demand or stated positions. The actions required by UMB were self-defeating, and worsened the Debtor's precarious financial position. In the end, UMB both agreed to and caused this bankruptcy filing, resulting in a substantial loss of the Current Residents' ability to recover the amounts due to them and payment of other creditor claims. These actions were not a reasonable exercise of UMB's rights under its agreements with the Debtor and, when taken as a whole, an overreaching exercise in Debtor control.

F. Committee's Standing and Authority to File Suit

53. The DIP Order provides parties in interest, including the Committee but excluding the Debtor, the right file an adversary proceeding or contested matter to (i) challenge the amount, validity, extent, enforceability, perfection or priority of the Bond Claim or the Prepetition Liens in respect thereof or (ii) otherwise assert any claims or causes of action against the Trustee and/or Bondholders on behalf of the Debtor's estate. DIP Order, ¶ 34. The DIP Order further provides:

Nothing in this Final Order shall be deemed to confer standing on the Committee or any other non- Debtor party in interest to commence a Challenge, and the Committee or other non-Debtor party in interest shall be required to move for standing within the Investigation Period, with a draft complaint attached to such motion or other pleading, and satisfy the applicable standard for obtaining standing to pursue estate causes of action; *provided, that* the filing of a standing motion (with draft complaint) shall toll the Investigation Period but only (a) as to the party that timely filed the standing motion (with draft complaint), (b) until such motion is resolved or ruled upon by the Court and (c) with respect to the claims asserted in the draft complaint.

Id.

54. In accordance with the DIP Order, the Committee filed its *Motion for Standing to Challenge Prepetition Claims and Liens* [Dkt. No. ____] on February 17, 2026, prior to filing this Complaint, requesting a determination regarding the Committee's standing to Challenge UMB's Prepetition Claim and the Prepetition Liens and Prepetition Collateral asserted by UMB in respect thereof. The Court granted the Motion on _____, 2026.

**V. STATUTORY LIENS IN FAVOR OF BUCKINGHAM RESIDENTS
TAKE PRIORITY OVER SERIES 2021B BONDS**

55. Section 246.111 of the Texas Health and Safety Code grants the residents of a CCRC a lien on all real and personal property of the provider to secure the provider's obligations to the resident. Specifically, the statute provides:

Sec. 246.111. LIEN. (a) To secure the obligations of the provider under any continuing care contract, a lien attaches on the date a resident first occupies a facility or receives services under a continuing care contract. The lien covers the real and personal property of the provider located at the facility. The provider shall prepare a written notice sworn to by an officer of the provider for each county where the provider has a facility. The notice must contain the name of the provider, the legal description of each facility of the provider, and a statement that the facility is subject to this chapter and the lien provided by this section. The provider shall file for record the notice in the real property records of each county where the provider has a facility on or before the later of January 1, 1994, or the date of the execution of the first continuing care contract relating to the facility.

(b) The commissioner may remove a lien under this section if requested by a provider to obtain secondary financing or refinancing of a facility if:

- (1) the facility is financially sound; and
- (2) removal of the lien does not adversely affect the residents.

(c) A lien under this section is subordinate to any liens on the property of the facility if the proceeds of the loan secured by the liens were used in whole or in part to:

- (1) construct, acquire, replace, or improve the facility; or
- (2) refinance an earlier loan used to construct, acquire, replace, or improve the facility.

(d) A lien under this section is effective for 10 years.

(e) A lien under this section may be foreclosed on application of the board if the facility is liquidated or the provider is insolvent or bankrupt. The proceeds from a foreclosed lien shall be used for full or partial satisfaction of the provider's obligations under continuing care contracts in effect on the date of the foreclosure.

53. As detailed above, Class 5 "Allowed Current Resident Claims"⁵ under the 2021 Plan are unimpaired. 2021 Plan, Section 4.05; *see also, id.* (Introduction) ("Current Resident Claims shall be paid in the ordinary course of business as they become due as provided under the

⁵ The 2021 Plan defines "Current Resident Claims" as "Refund Claims of Current Residents that become due and owing after the Effective Date pursuant to an Assumed Residence Agreement."

applicable Residence Agreement and shall otherwise be unimpaired.”). Because such claims are “unaltered and unaffected by the Plan” and the Current Residence Agreements were assumed by the Debtor under the 2021 Plan, the statutory liens held by residents living at the Buckingham continue to secure the Debtor’s obligations to those residents, including any Entrance Fee Refunds that may become payable to such residents. And residents who took occupancy of the Facility after the Effective Date of the 2021 Plan were granted a lien under Section 246.111 of the Texas Health and Safety Code immediately upon the date of such occupancy. Taken together, any resident living at the Buckingham under an Entrance Fee Agreement upon the Effective Date of the 2021 Plan and any resident occupying a unit at the Buckingham under an Entrance Fee Agreement entered into since then are afforded the benefit of the statutory lien above. And the proceeds of the lien must be used for full or partial satisfaction of the provider’s obligations under continuing care contracts in effect as of the date of the foreclosure. Finally, the lien in favor of all such residents is effective for 10 years after the date the residents first occupied living space at the Buckingham.

54. The Committee recognizes and acknowledges that Section 246.111(c) above provides that a lien under Section 246.111(a) of the statute is subordinate to any liens on the property of the facility if the proceeds of the loan secured by the liens were used in whole or in part to (i) construct, acquire, replace, or improve the facility; or (ii) refinance an earlier loan used to construct, acquire, replace, or improve the facility. UMB also recognized this, and plainly attempted to use artful drafting to describe the Series 2021B Bonds issued in satisfaction of UMB’s Secured Bond Claims under the 2021 Plan as “refinancing” of such debt, rather than an exchange of bonds that resulted in the discharge of UMB’s Secured Bond Claims. By way of example, in the Indenture of Trust (“Indenture”) included as part of the 2021 Bond Documents, the second recital reflects that the bonds are being sold and delivered “for the purpose of financing or

refinancing the cost of a health facility, as defined in Chapter 221, Texas Health and Safety Code.” *See* 2021 Bond Documents, p. 1. Likewise, the Indenture defines the Series 2021B Bonds as the “New Hope Cultural Education Facilities Finance Corporation Retirement Facility Revenue Bonds (Buckingham Senior Living Community, Inc. Project) Series 2021B” and provides that that they are being issued “for the purpose of refinancing the Existing Bonds.” *Id.* at p. 17. The Bond Documents are in fact replete with references to the Series 2021B Bonds as “refinancing” of the Existing Bonds.

55. But artful drafting cannot overcome the reality that the Secured Bonds were discharged, extinguished, and cancelled during the first chapter 11 case and the assets of the Debtor vested in the reorganized Debtor free and clear of that old debt under the 2021 Plan. In satisfaction of the bondholder’s secured claims, the reorganized Debtor issued new secured debt, but this was a new debt instrument issued by a new legal entity (the reorganized Debtor). Because the Series 2021B Bonds do not fall within the statutory parameters of a loan entitled to seniority, the residents’ statutory liens are not subordinated to them. Indeed, the issuance of the Series 2021B Bonds did not provide any new money in conjunction with the Series 2021B Bonds to be used for construction projects or for refinancing of existing debt used for such projects. The Restructuring Term Sheet approved by the Court in the Confirmation Order makes this clear, as described in paragraph 20, *infra*. There were no additional funds to “refinance” the Series 2021B Bonds. Given the discharge provisions of the 2021 Plan, there was nothing to refinance. Put simply, a new legal entity issued new bonds to UMB in satisfaction of claims asserted for existing bonds that were cancelled, discharged, and extinguished. Under the facts of the 2021 chapter 11 case, there is no basis for treating residents’ statutory liens as subordinated to the Series 2021B Bonds.

VI. CAUSES OF ACTION

Count I – Declaratory Judgment as to the Validity, Priority and Extent of Liens

56. The Committee incorporates by reference the allegations in each of the foregoing and ensuing paragraphs with the same force and effect as if fully set forth herein.

57. This is a claim for declaratory relief under 28 U.S.C. §§ 2201 and 2202 and Bankruptcy Rules 7001(b) and (i).

58. An actual, justiciable controversy has arisen and exists between the Current Residents and UMB, in its capacity as bond trustee for the Series 2021B Bonds, regarding whether the Current Residents' statutory liens have priority over the Series 2021B Bonds or whether such statutory liens are subordinated under section 246.111(c) of the Texas Health and Safety Code.

59. An actual, justiciable controversy has arisen and exists between the Current Residents and UMB, in its capacity as bond trustee for the Series 2021B Bonds, regarding whether the Current Residents' statutory liens must be paid in cash and in full from Net Proceeds (as defined in the Sale Order) before the Series 2021B Bonds may receive any recovery from the Debtor's estate.

60. Based on the foregoing, Plaintiff respectfully requests that the Bankruptcy Court determine and declare that:

- (a) The statutory liens held by Current Residents are senior to and not subordinated to the Series 2021B Bonds under section 246.111(c) of the Texas Health and Safety Code; and
- (b) The claims of the Current Residents against the Debtor must be paid in full in cash from Net Proceeds of the Sale before the Series 2021B Bonds are entitled to any recovery from the Debtor's estate.

Count II – Request for Attorneys’ Fees, Expenses, and Costs of Court

61. The Committee incorporates by reference the allegations in each of the foregoing and ensuing paragraphs with the same force and effect as if fully set forth herein.

62. The Committee requests that it be awarded all attorneys’ fees, expenses, and costs of court incurred in connection with this adversary proceeding to the fullest extent allowable by law.

63. Necessary or proper relief based on a declaratory judgment or decree may be granted, after reasonable notice and hearing, against any adverse party whose rights have been determined by such judgment. 28 U.S.C. § 2202. Such further relief can include an award of attorneys’ fees. Accordingly, Plaintiff also seeks the recovery of its attorneys’ fees and costs pursuant to 28 U.S.C. § 2202.

Count III – Equitable Subordination

64. The Committee incorporates by reference the allegations in each of the foregoing and ensuing paragraphs with the same force and effect as if fully set forth herein.

65. The Bank’s liens should be subordinated to the claims of Current Residents and other unsecured creditors pursuant to 11 U.S.C. Sec. 510(c) for inequitable conduct including, but not limited to, the conduct described in paragraphs 50-52 above.

VII. RESERVATION

66. The Committee reserves (i) the right to supplement or amend its claims and causes of action against UMB for any reason, (ii) the right to introduce additional facts or arguments supporting its claims and causes of action against UMB, whether raised in this Complaint or in any supplements or amendments hereto, and (iii) all of its other rights, claims, and defenses under applicable law and/or any Orders entered by the Court in the Debtors’ bankruptcy cases. Nothing

contained in or omitted from this Complaint shall be deemed or construed as a waiver of any of the Committee's rights or any of the Committee's or the estate's claims or causes of action against UMB.

VIII. PRAYER FOR RELIEF

WHEREFORE, based on the foregoing, Plaintiff respectfully prays that upon final hearing, Plaintiff recover judgment against UMB as follows:

- (a) Determining the extent, validity, perfection, enforceability, and priority of UMB's asserted Prepetition Liens with respect to the Net Proceeds, pursuant to Bankruptcy Rule 7001(b);
- (b) Declaring that UMB's asserted Prepetition Secured Claims are subordinate to statutory liens provided for in Section 246.111 of the Texas Health and Safety Code, pursuant to Bankruptcy Rule 7001(9) and the Declaratory Judgment Act;
- (c) Awarding the Committee all attorneys' fees, expenses, and costs of court incurred in connection with this proceeding; and
- (d) Granting the Committee such other and further relief to which it is justly entitled.

Respectfully submitted,

KANE RUSSELL COLEMAN LOGAN PC

By: /s/ DRAFT

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**CO-COUNSEL TO THE OFFICIAL
COMMITTEE OF UNSECURED CREDITORS**

EXHIBIT 1

DIP Order



CLERK, U.S. BANKRUPTCY COURT
NORTHERN DISTRICT OF TEXAS

ENTERED

THE DATE OF ENTRY IS ON
THE COURT'S DOCKET

The following constitutes the ruling of the court and has the force and effect therein described.

Michelle V. Larson

Signed December 29, 2025

United States Bankruptcy Judge

**IN THE UNITED STATES BANKRUPTCY COURT
NORTHERN DISTRICT OF TEXAS
DALLAS DIVISION**

In re:

**BUCKINGHAM SENIOR LIVING
COMMUNITY, INC.¹**

Debtor.

)
) Chapter 11
)

) Case No. 25-80595 (MVL)
)

) Related to Docket. No. 19
)

**FINAL ORDER (I) AUTHORIZING
THE DEBTOR TO (A) OBTAIN POSTPETITION
FINANCING AND (B) UTILIZE CASH COLLATERAL,
(II) GRANTING LIENS AND SUPERPRIORITY ADMINISTRATIVE
EXPENSE CLAIMS, (III) GRANTING ADEQUATE PROTECTION, (IV) MODIFYING
THE AUTOMATIC STAY, AND (V) GRANTING RELATED RELIEF**

¹ The last four digits of the Debtor's federal tax identification number are 7872. The location of the Debtor's principal place of business and the service address is 8580 Woodway Drive, Houston, Texas 77063.

This Final Order (I) Authorizing the Debtor to (A) Obtain Postpetition Financing and (B) Utilize Cash Collateral, (II) Granting Liens and Superpriority Administrative Expense Claims, (III) Granting Adequate Protection, (IV) Modifying the Automatic Stay, and (V) Granting Related Relief (this “Final Order”) is entered into by this Court after adequate notice and hearings upon the Debtor’s *Emergency Motion for Entry of Interim and Final Orders (I) Authorizing the Debtor to (A) Obtain Postpetition Financing and (B) Utilize Cash Collateral, (II) Granting Liens and Superpriority Administrative Expense Claims, (III) Granting Adequate Protection, (IV) Modifying the Automatic Stay, (V) Scheduling a Final Hearing, and (VI) Granting Related Relief* (the “Motion”),² and upon the terms agreed to by and among Buckingham Senior Living Community, Inc. (the “Debtor”), UMB Bank, N.A., as the debtor in possession lender under the DIP Facility (as defined below) (in such capacity, the “DIP Lender”), UMB Bank, N.A., as the bond trustee (in such capacity, the “Bond Trustee”) under the Bond Indenture (as defined below), and UMB Bank, N.A., as master trustee (the “Master Trustee” and together with the Bond Trustee, the “Trustee”) with respect to the Amended and Restated Master Trust Indenture, Deed of Trust and Security Agreement dated as of November 1, 2021, as supplemented by the Supplemental Indenture Number 1, dated as of November 1, 2021 (as supplemented, the “Master Indenture”) between the Debtor, as initial member of the obligated group, and the Master Trustee (collectively, the “Parties”). Upon the terms of the Motion, the stipulations, acknowledgements and agreements of the Parties, the statements of the Parties and their counsel at the interim and final hearings on the Motion and the record of the proceedings, the Court makes the following findings of fact and rulings of law:

² All defined terms not defined herein shall have the meaning ascribed in the Motion or in the DIP Indenture, as applicable.

FINDINGS OF FACT

The Debtor's Chapter 11 Case; Procedural Background; Jurisdiction and Notice

A. On November 17, 2025 (the "Petition Date"), the Debtor filed a voluntary petition for relief under chapter 11 of title 11 of the United States Code (the "Bankruptcy Code") and thereby commenced its case thereunder (the "Chapter 11 Case"). Since the Petition Date, the Debtor has been operating its business and managing its property as debtor and debtor in possession pursuant to sections 1107(a) and 1108 of the Bankruptcy Code. No request has been made for the appointment of a trustee or examiner in the Chapter 11 Case.

B. The Court held a hearing to consider granting the relief requested in the Motion on an interim basis on November 19, 2025. Following such hearing, the Court entered an order authorizing the Debtor to access up to \$1,000,000 in DIP Loans (as defined below) and allowing the Debtor to use cash collateral on an interim basis, which order was entered by the Court on November 19, 2025 (the "Interim Order") [Docket No. 50].

C. On December 3, 2025, the Official Committee of Unsecured Creditors (the "Committee") was appointed by the Office of the United States Trustee for the Northern District of Texas (the "U.S. Trustee") [Docket No. 102].

D. The Court has jurisdiction over this matter pursuant to 28 U.S.C. § 1334. This matter is a core proceeding pursuant to 28 U.S.C. § 157(b). Venue of the Chapter 11 Case and the Motion in this district is proper pursuant to 28 U.S.C. §§ 1408 and 1409.

E. The Debtor has properly served notice of the Motion and the hearings thereon pursuant to sections 102, 105, 361, 362, 363 and 364 of the Bankruptcy Code and Federal Rules of Bankruptcy Procedure 2002 and 4001, 6004, 9006 and 9014 and the Local Rules, which notice was sent to, among others (i) Daniel S. Bleck and Eric Blythe, Mintz, Levin, Cohn, Ferris, Glovsky and Popeo, P.C., One Financial Center, Boston, Massachusetts 02111, counsel to the DIP Lender

and the Trustee, (ii) the Debtor's 30 largest unsecured creditors and 30 largest unsecured vendors, (iii) counsel to the Committee, (iv) the U.S. Trustee, (v) the Internal Revenue Service, (vi) persons listed on the proposed Master Service List, (vii) persons who have filed a request for notice pursuant to Bankruptcy Rule 2002, (viii) any party required to be served under the Bankruptcy Rules, (ix) the Office of the Attorney General for the State of Texas, (x) such other government agencies to the extent required by the Bankruptcy Rules and the Local Rules and (xi) all other parties known to assert a lien on any of the Debtor's assets. Such notice is sufficient for all purposes under the Bankruptcy Code and the applicable Bankruptcy Rules in respect to the relief requested and no further notice of the relief sought in the Motion is necessary.

The Debtor and the Facility

F. The Debtor owns and operates a 495-unit continuing care retirement facility ("CCRC") comprised of 465,000 square feet of developed property on approximately 23 acres of land which opened in 2005 (the "Facility"). The Buckingham is a senior living facility in the River Oaks neighborhood in Houston, Texas.

G. The Debtor offers residential units for its residents (each a "Resident") in independent living, assisted living, memory care, or skilled nursing units and provides those Residents with necessary healthcare services, multiple entertainment outlets and other social benefits. As of the Petition Date, the Debtor provides accommodations for more than 330 Residents. To provide the quality of care and safety the Residents require, as of the Petition Date, the Debtor employs 419 individuals to carry out the Debtor's daily operations.

The Secured Bond Obligations

H. Subject to the limitations of Paragraph 34 of this Final Order, the Debtor admits, stipulates and agrees that: the Debtor is obligated to the Trustee for the benefit of the beneficial holders of the Retirement Facility Revenue Bonds (Buckingham Senior Living Facility, Inc. Project) Series 2021A-1, Series 2021A-2 (Federally Taxable) and Series 2021B in the original aggregate principal amount of \$168,840,000 (collectively, the “Series 2021 Bonds”), issued pursuant to that certain Indenture of Trust dated as of November 1, 2021 (the “Bond Indenture”) between New Hope Cultural Education Facilities Finance Corporation (the “Issuer”) and the Bond Trustee.

I. Subject to the limitations of Paragraph 34 of this Final Order, the Debtor admits, stipulates and agrees that: the Issuer loaned the proceeds of the Bonds to the Debtor pursuant to the Loan Agreement dated as of November 1, 2021 (the “Loan Agreement”) between the Debtor and the Issuer. The Debtor used the proceeds of the Bonds primarily to refinance the acquisition, construction and equipment of the Facility.

The Bond Claim

J. Subject to the limitations of Paragraph 34 of this Final Order, the Debtor admits, stipulates and agrees that as of the Petition Date, the amounts due and owing by the Debtor with respect to the Bonds and the obligations under the Bond Documents (as defined below) are as follows (collectively, the “Bond Claim”):

- (i) Unpaid principal on the Bonds in the amount of \$168,840,000;
- (ii) Accrued but unpaid interest on the Bonds in the amount of \$11,559,000 as of the Petition Date; and
- (iii) unliquidated, accrued and unpaid fees and expenses of the Trustee and its professionals incurred through the Petition Date. Such amounts, when liquidated, shall be added to the aggregate amount of the Bond Claim.

Security for the Bond Obligations

K. Subject to the limitations of Paragraph 34 of this Final Order, the Debtor admits, stipulates and agrees that the rights of the Issuer under the Loan Agreement were assigned to the Trustee. In addition, as security for its obligations with respect to the Bonds, the Debtor entered into the Master Indenture pursuant to which the Debtor granted the Master Trustee a security interest against substantially all of the Debtor's assets as described in the Master Indenture (all such collateral so granted under the Bond Documents, the "Prepetition Collateral"). The Bond Indenture, the Loan Agreement, the Master Indenture and any other document or agreement delivered as security for, or in respect of, the Bonds or the Debtor's obligations under any of such documents are collectively referred to herein as the "Bond Documents". Pursuant to these grants, the Trustee holds valid and perfected first priority liens and security interests in substantially all of the Debtor's real and personal property as security for the Bonds (the "Prepetition Liens").

The Debtor's Need for Use of Cash Collateral

L. The Debtor has requested the use of the Cash Collateral of the Trustee in connection with the Chapter 11 Case. The Trustee does not consent to the use of its Cash Collateral, except upon the express terms of this Final Order.

M. Without the use of Cash Collateral, the Debtor's continued operation as a going concern would be disrupted and the Debtor, its Residents, its estate and its creditors would be immediately and irreparably harmed. Without the use of Cash Collateral, the Debtor will not have the funds necessary to maintain the Facility, provide the necessary services and care to its Residents, pay employee compensation, payroll taxes, overhead and other expenses related to the Facility. The Debtor requires use of Cash Collateral as provided herein.

The Debtor's Need for Debtor in Possession Financing

N. A critical need exists for the Debtor to obtain funds to fund the operational, capital and administrative needs of the Facility, solely to the extent set forth under the Budget (as defined below) and under the DIP Facility. The Debtor is unable to obtain post-petition financing on an unsecured basis under sections 364(c)(1) or 503(b)(1) of the Bankruptcy Code. Further, the Debtor asserts that it is also unable to obtain secured credit from sources other than the DIP Lender that would be allowable under sections 364(c)(2), 364(c)(3) and 364(d)(1) of the Bankruptcy Code for the purposes set forth in this Final Order. Further, the Trustee would not consent to any priming liens and would have argued that the Debtor could not have provided adequate protection for any such proposed financing.

O. In addition to the use of the Trustee's Cash Collateral, the DIP Lender has agreed to provide availability of the requested debtor-in-possession loans (collectively, the "DIP Loans") under the DIP Facility and use of Cash Collateral in accordance with the terms contained in this Final Order, in the amounts, categories and times set forth in the Budget, which shall be used for the necessary operational costs associated with the Facility and other costs and expenses of administration of the Chapter 11 Case.

P. Without the DIP Loans, the Debtor will be unable to pay necessary payroll, costs and operating expenses, and obtain goods and services needed to preserve the Facility in a manner that will avoid irreparable harm to the Debtor's estate. At this time, the Debtor's ability to finance the ongoing operation and availability of sufficient liquidity through the incurrence of new indebtedness for borrowed money and other financial accommodations as provided herein are vital to the preservation of the Facility and maintenance of the going concern value of the Debtor's estate and to otherwise provide the necessary services to the Residents of the Facility.

Q. Under the Interim Order, the Court authorized the Debtor to access up to \$1,000,000 in DIP Loans. This Final Order increases that authorization, allowing the Debtor to access up to \$4,000,000 in DIP Loans, inclusive of amounts authorized under the Interim Order (the “DIP Facility”). All funds must be used strictly in accordance with the Budget attached as **Exhibit 1**.

R. The DIP Lender is willing to provide access to the DIP Loans, subject to the terms and conditions set forth herein, including the provisions of this Final Order providing that the Post-Petition Liens (as defined below) and the various claims, superpriority claims and other protections granted pursuant to this Final Order will not be affected by any subsequent reversal or modification of this Final Order or any other order, as provided in section 364(e) of the Bankruptcy Code.

S. The DIP Lender’s lending of the DIP Loans is conditioned upon the grant of a lien that: (i) will prime and remain senior to the Trustee’s Prepetition Liens; and (ii) will otherwise constitute a first priority lien in all other Post-Petition Collateral (as defined below), subject only to (a) valid, binding, enforceable and perfected liens, having priority over the liens of the Trustee as of the Petition Date that are set forth on Schedule 1 hereto (together, the “Permitted Liens”),³ (b) the Carve-Out (as defined below), and (c) any interest held by Bank of America, N.A. in the deposit account ending in X4705 (the “Card Security”).

T. The terms of the DIP Loans have been negotiated in good faith and at arm’s length among the Debtor and the DIP Lender. The terms of the DIP Loans are at least as favorable to the Debtor as those available from alternative sources, under all of the circumstances. Given the

³ The Debtor, the DIP Lender, the Trustee and other parties in interest reserve all rights to contest the amount, extent, priority and validity of any putative claim, security interest or lien identified on Schedule 1. Nothing herein or otherwise shall be deemed a waiver of any such rights. To the extent that such claims and/or security interests or liens are deemed not to be valid senior liens, the DIP Loans shall not be subordinated to the claims of the estate under sections 544 or 545 of the Bankruptcy Code. Schedule 1 is subject to amendment in the Final Order on the Motion.

current market conditions and under the particular circumstances of the Chapter 11 Case, no other sources of funding are available. Given the exigencies of the case, the Debtor believes the DIP Loans are the best and only option.

U. The terms of the DIP Loans are fair and commercially reasonable under the circumstances, reflect the Debtor's exercise of its prudent business judgment consistent with its fiduciary duties, are supported by reasonably equivalent value and fair consideration and are enforceable in accordance with applicable law. As such, the funds advanced shall be deemed to have been extended by the DIP Lender in "good faith" as that term is used in section 364(e) of the Bankruptcy Code and based upon the express reliance of the protections offered by section 364(e) of the Bankruptcy Code. The Post-Petition Liens and the Superpriority Claim (as defined below) shall be entitled to the full protection of section 364(e) of the Bankruptcy Code, including in the event that this Final Order or any provision hereof is vacated, reversed or modified, on appeal or otherwise.

V. The Debtor shall immediately and shall continue to segregate, remit and deposit all Cash Collateral in the Debtor's accounts, possession, custody or control and which the Debtor may receive in the future, in accordance with applicable cash management orders entered by this Court and as permitted by the DIP Indenture (as defined below).

W. The Debtor and the DIP Lender have represented to the Court that they have negotiated at arm's length and have acted in good faith in the negotiation and preparation of the DIP Indenture and this Final Order, have been represented by counsel and intend to be and are bound by their respective terms. The terms and conditions of this Final Order and the DIP Documents reflect the Debtor's exercise of prudent business judgment under exigent

circumstances and are consistent with its fiduciary duties and supported by reasonably equivalent value and fair consideration.

Need for Adequate Protection to Trustee

X. Pursuant to the Bankruptcy Code and in light of the foregoing, the Debtor is required to provide adequate protection to the Trustee in respect of its use of the Prepetition Collateral (including Cash Collateral) and granting of the priming Post-Petition Liens. The Debtor wishes to provide adequate protection of the security interests in and liens on the Prepetition Collateral pursuant to the terms set forth in this Final Order.

Y. Good cause has been shown for the entry of this Final Order. The terms of this Final Order, inclusive of the adequate protection provided to the Trustee relating to the Prepetition Liens, are fair and commercially reasonable, reflect the Debtor's prudent business judgment consistent with its fiduciary duties and constitute reasonable equivalent value and fair consideration. Entry of this Final Order is in the best interest of the Debtor, its creditors, including holders of the Bonds (the "Bondholders"), and its estate.

Z. To the extent any portion of the foregoing constitutes rulings of law, it shall constitute this Court's rulings with respect to the matters so-stated.

NOW THEREFORE, THE COURT ORDERS AS FOLLOWS:

Motion Granted

1. The Motion is hereby **GRANTED** in accordance with the terms and conditions set forth in this Final Order. Any objections to the Motion with respect to the entry of this Final Order that have not been withdrawn, waived or settled, and all reservation of rights included therein, are hereby denied and overruled with respect to this Final Order.

Approval of DIP Facility and DIP Loan Documents

2. The terms of the DIP Facility, that certain Indenture between the Debtor and the DIP Lender (the “DIP Indenture”) and all documents executed in connection therewith (collectively with the DIP Indenture, the “DIP Loan Documents”) are fair and reasonable, reflect the exercise of the Debtor’s prudent business judgment consistent with its fiduciary duties and constitute reasonably equivalent value and fair consideration.

3. The Debtor shall be liable for the amount due with respect to all DIP Obligations as and when incurred pursuant to the terms of the DIP Loan Documents.

4. The DIP Facility and DIP Loan Documents have been negotiated in good faith and at arm’s length between the Debtor and the DIP Lender, and the DIP Loans shall be deemed to have been extended by the DIP Lender in good faith (as that term is used in section 364(e) of the Bankruptcy Code) and in express reliance upon, and with the full benefit of the protections afforded by, section 364(e) of the Bankruptcy Code, whether or not this Final Order or any provision hereof is vacated, reversed, or modified, on appeal or otherwise.

5. Absent the relief granted by this Final Order, the Debtor’s estate, Residents and creditors would suffer immediate and irreparable harm. Accordingly, the entry of this Final Order and related authorization of borrowings of the DIP Loans under the DIP Facility and DIP Loan Documents is in the best interests of the Debtor’s estate, its Residents, and creditors.

6. The DIP Facility and DIP Loan Documents are hereby approved on a final basis, and the Debtor is hereby authorized to borrow the DIP Loans pursuant to the DIP Loan Documents, the budget attached as **Exhibit 1**, itemizing on a weekly basis all uses and anticipated uses, revenues projected to be received and all expenditures proposed to be made during such period, which budget may be amended at the request of the Debtor and with the written consent of the DIP Lender and incorporated herein by reference (as it may be amended, supplemented, replaced

or otherwise modified from time to time with the consent of the DIP Lender, the “Budget”) and this Final Order, with a copy of such amendment or modification provided to the advisors to the Committee (the Committee shall have two (2) business days following receipt to object to such amendment or modification prior to it becoming effective); *provided that*, in the event that the DIP Lender does not approve any such modified Budget, the current Budget shall remain in effect. The proceeds of the DIP Loans shall be used for such purposes as are expressly permitted under the DIP Loan Documents, this Final Order and the Budget, including, without limitation, to provide working capital for the Debtor and to pay other general corporate obligations of the Debtor during the administration of the Chapter 11 Case, including the payment of administrative claims allowed in the Chapter 11 Case.

7. In furtherance of the foregoing and without further approval of this Court, the Debtor is authorized to perform all acts, to make, execute and deliver all instruments and documents (including, without limitation, the execution or recordation of security agreements, mortgages and financing statements), in each case that may be reasonably required or necessary for the Debtor’s performance of the DIP Loans, including, without limitation:

- (i) the execution, delivery, and performance of the DIP Loan Documents and any exhibits, schedules and other documents related thereto;
- (ii) the execution, delivery, and performance of one or more non-material amendments to the DIP Loan Documents, in each case in such form as the Debtor and the DIP Lender may agree (it being understood that no further approval of the Court shall be required for amendments to the DIP Loan Documents that do not shorten the maturity of the extensions of credit thereunder, increase the commitments or increase the rate of interest payable thereunder);
- (iii) the non-refundable payment to the DIP Lender of the reasonable and documented costs and expenses as may be due from time to time in connection with the DIP Loans in accordance with the terms of the DIP Loan Documents; and
- (iv) the performance of all other acts required under the DIP Loan Documents in connection with the DIP Loans.

The DIP Loans

8. DIP Loans. Pursuant to sections 361 and 364 of the Bankruptcy Code and the terms and conditions hereof, until the occurrence of an Event of Default (as defined below), the Debtor is hereby authorized to borrow the DIP Loans pursuant to the terms, conditions and provisions of this Final Order in an amount up to an aggregate amount of \$4,000,000 (inclusive of DIP Loans approved under the Interim Order) pursuant to the terms set forth herein; provided, however, that the Debtor shall use the proceeds of the DIP Loans solely in Compliance (as defined below) with the Budget and as expressly set forth herein.

9. Principal, Interest, Fees, Etc.

- (i) The DIP Facility shall accrue interest at a fixed rate of 12% per annum (the “Applicable Rate”) on the entire DIP Facility commencing on the date of the execution of the DIP Loan Documents, which accrued and unpaid interest shall be due and payable on the Maturity Date. All interest will be calculated using a 360-day year and actual days elapsed.
- (ii) Upon the occurrence of an Event of Default, the DIP Loans shall accrue interest at a default rate of interest equal to 2% over the Applicable Rate and such interest will be payable on demand.
- (iii) The principal, interest and any other obligations owed with respect to the DIP Loans (the “DIP Obligations”) shall be due and payable on the date (the “Maturity Date”) that is the earliest to occur of: (a) March 31, 2026; (b) the closing date (the “Closing Date”) of any sale of all or substantially all of the Debtor’s assets pursuant to an order entered by the Court in the Chapter 11 Case; (c) the acceleration of the DIP Loans and the termination of the DIP Facility by the DIP Lender following the occurrence of an Event of Default under this Final Order; or (d) the effective date of a plan of reorganization or liquidation for the Debtor in the Chapter 11 Case. Subject to the terms of this Final Order, the DIP Loans may be voluntarily paid at any time with no penalty or premium.

10. Conditions to the DIP Loans. The funding of the DIP Loans is conditioned on the satisfaction of the following:

- (i) entry of this Final Order;
- (ii) evidence of insurance reasonably satisfactory to the DIP Lender (and receipt of additional insured and loss payee insurance certificates);

- (iii) execution of the DIP Loan Documents; and
- (iv) payment of all fees and expenses, including the reasonable and documented fees and expenses of the DIP Lender's professionals.

11. Disbursements of DIP Loans. The following conditions and processes shall govern the funding of the DIP Loans:

- (i) the DIP Lender shall disburse proceeds of the DIP Facility to or for the account of the Debtor upon receipt by the DIP Lender of the written requisition of the Debtor in the form attached as Exhibit C to the DIP Indenture, delivered no later than three (3) business days (to be received by the DIP Lender on or before 12:00 pm (prevailing Central Time) on such date) prior to the funding date;
- (ii) proceeds of the DIP Facility shall be disbursed no more frequently than biweekly;
- (iii) the obligation of the DIP Lender to fund any requisition is subject to the satisfaction of the following additional conditions, provided that the DIP Lender is not required to fund a requisition if an Event of Default exists that has not been waived by the DIP Lender in its sole discretion:
 - a. the certifications of the Debtor set forth in such requisition shall be true and correct in all material respects;
 - b. immediately before and after the payment of amounts included in such requisition, no Event of Default shall have occurred and be continuing under the DIP Loan Documents or this Final Order (other than an Event of Default that has been waived by the DIP Lender in writing);
 - c. the Debtor is in compliance with each of the covenants contained in this Final Order and the DIP Loan Documents in all material respects (subject to any applicable cure periods and unless waived by the DIP Lender); and
 - d. the amount requested shall not exceed the lesser of (I) an amount sufficient to fund all fees and expenses set forth in the Budget (subject to any permitted variance) accrued or due and owing to date or reasonably anticipated to be accrued or due and owing through and including the earlier of (x) the next date that a requisition may be made under the DIP Indenture, and (y) the Maturity Date, and (II) the remaining approved and undrawn amount of the DIP Facility.

12. Use of DIP Loan Proceeds. The DIP Loans shall be used solely as set forth in the Budget for: (i) the necessary operation and maintenance costs associated with the Facility in the

amounts and categories and time set forth in the Budget; and (ii) other costs and expenses of administration of the Chapter 11 Case as set forth in the Budget.

13. Effectiveness of Final Order. From and after the entry of this Final Order (the “Effective Date”), the terms and conditions hereof shall constitute a valid and binding obligation of the Debtor, enforceable against the Debtor in accordance with the terms of this Final Order for all purposes during the Chapter 11 Case or any subsequently converted case of the Debtor under chapter 7 of the Bankruptcy Code or after the dismissal of the Chapter 11 Case. No obligation, payment, transfer or grant of security under this Final Order shall be stayed, restrained, voidable, avoidable or recoverable under the Bankruptcy Code or under any applicable law (including without limitation, under sections 502(d), 548 or 549 of the Bankruptcy Code or under any applicable state Uniform Fraudulent Transfer Act, Uniform Fraudulent Conveyance Act or similar statute or common law), or subject to any defense, reduction, setoff, recoupment or counterclaim.

14. Payments to the DIP Lender and/or the Trustee. Any and all payments or proceeds remitted to the DIP Lender and/or the Trustee pursuant to the provisions of this Final Order or otherwise shall be received by the DIP Lender and/or the Trustee, free and clear of any claim, charge, assessment or other liability, including, without limitation, any such claim or charge arising out of or based on sections 506(c) and/or 552(b) of the Bankruptcy Code, whether directly or indirectly, all of which are hereby waived by the Debtor. In the event that it is determined by final order of the Court that the Trustee is not entitled under Bankruptcy Code section 506(b) to any payments or proceeds remitted to the Trustee on account of post-petition interest, fees and expenses relating to the Bond Claim, then any such payments or proceeds remitted to the Trustee shall reduce the Bond Claim held by the Trustee.

Security for the DIP Loan

15. Post-Petition Liens. Pursuant to section 364(c)(2), (c)(3) and (d) of the Bankruptcy Code and as security for the repayment of the DIP Loans and the obligations under the DIP Loan Documents, the DIP Lender is hereby granted valid, binding, enforceable and perfected first priority mortgages, pledges, liens and security interests (the “Post-Petition Liens”) in all currently owned or hereafter acquired property and assets of the Debtor of any kind or nature, whether real or personal, tangible or intangible, wherever located, now owned or hereafter acquired or arising and all proceeds, products, rents and profits thereof, including, without limitation, accounts, inventory, equipment, capital stock in subsidiaries, investment property, instruments, chattel paper, real estate, leasehold interests, contracts, patents, copyrights, trademarks, deposit accounts, intercompany claims, claims against affiliates, causes of action, tax refund claims, commercial tort claims, insurance proceeds and insurance premium refunds, actions for preferences, fraudulent conveyances or other avoidance power claims and any recoveries under sections 542, 544, 545, 547, 548 (exclusive of transferees under section 549), 550 and 553 and the Bankruptcy Code (collectively, the “Avoidance Actions”), and the proceeds, products, rents and profits of all of the foregoing (all of the foregoing, the “Post-Petition Collateral”); provided, however, that the Post-Petition Collateral under this Final Order shall not include (x) the Card Security, (y) any and all cash or other property received by Debtor in the form of gifts, charitable donations, bequests or grants that are by their terms restricted in the manner in which they may be utilized by Debtor to the extent, and only to the extent, that such restrictions would prohibit the granting of any such gifts, donations, bequests or grants as collateral (collectively, the “Charitable Assets”), or (z) recoveries on account of claims the Committee asserts in connection with a Challenge. Any Reservation Deposits and Entrance Fees (as defined in the Escrow Motion) shall not be property

of the estate and shall not be subject to the liens and claims of the DIP Lender and/or the Trustee except to the extent the Debtor acquires an interest in such Entrance Fees and Reservation Deposits under the terms of the applicable Residency Agreements and/or Amended Escrow Agreement (each as defined in the Escrow Motion).

16. The Post-Petition Liens are in addition to the superpriority administrative expense claim set forth in Paragraph 17 hereof, and pursuant to sections 364(c) and 364(d), shall be valid, binding, continuing, enforceable, fully-perfected, senior and priming on all Post-Petition Collateral that (i) will be and remain senior to the Prepetition Liens, Rollover Liens and Supplemental Liens granted to the Trustee as adequate protection for its Prepetition Liens; and (ii) will otherwise constitute a first priority lien on all other assets of the Debtor, subject only to (a) Permitted Liens, if any, (b) the Carve-Out, and (c) the Card Security.

17. Superpriority Administrative Expense Claim. The DIP Loans shall have the status of a superpriority administrative expense claim (the “Superpriority Claim”) pursuant to section 364(c)(1) of the Bankruptcy Code, including, without limitation, having priority over all other unpaid administrative expenses of the kind specified in sections 503(b) and 507(b) of the Bankruptcy Code, and over any and all administrative expenses or other claims arising under sections 105, 326, 328, 330, 331, 503(b), 506(c), 507(a), 507(b), 546, 726, 1113 or 1114 of the Bankruptcy Code (subject only to the Carve-Out), and shall at all times be senior to the rights of the Debtor, any successor trustee or any creditor in the Chapter 11 Case or any subsequent proceedings under the Bankruptcy Code, whether or not such expenses or claims may become secured by a judgment lien or other nonconsensual lien, levy or attachment.

Debtor’s Use of Cash Collateral

18. The Debtor is hereby authorized to use cash collateral (as defined in section 363(a) of the Bankruptcy Code) constituting proceeds of accounts and revenues from operations of the Facility and advances under the DIP Facility (collectively, the “Cash Collateral”). Cash Collateral shall not include any other funds received by the Debtor during this proceeding.

19. The Debtor’s use of Cash Collateral shall be solely as set forth in the Budget and as otherwise provided in this Final Order for: (i) the necessary ordinary course operation and maintenance costs associated with the Facility in the amounts, categories and time set forth in the Budget; and (ii) other costs and expenses of administration of the Chapter 11 Case as set forth in the Budget. Except on the terms and conditions of this Final Order, the Debtor is prohibited from using Cash Collateral at any time absent consent of the DIP Lender or further order of the Court.

Adequate Protection to Trustee for the Prepetition Liens and Prepetition Collateral Securing the Bond Claim

20. As adequate protection of the Trustee’s interests in the Prepetition Collateral, including Cash Collateral, pursuant to sections 361, 363 and 552(b) of the Bankruptcy Code, and the Trustee’s consent to the priming of its liens and claims by to the Post-Petition Liens and the Superpriority Claim provided to the DIP Lender, the Trustee is hereby provided the following adequate protection:

- (i) Rollover Liens. As adequate protection for any diminution in the value of the Prepetition Collateral, including based upon the priming by the DIP Lender (“Diminution”), the Trustee shall continue to have valid, binding, enforceable and perfected additional and replacement mortgages, pledges, liens and security interests in all Post-Petition Collateral and the proceeds, rents, products and profits therefrom, whether acquired or arising before or after the Petition Date, to the same extent, priority and validity that existed as of the Petition Date (such liens, the “Rollover Liens”); provided, however, the Rollover Liens shall be subject to the (a) Post-Petition Liens, (b) Permitted Liens, (c) the Card Security, and (d) the Carve-Out;
- (ii) Supplemental Liens. As additional adequate protection for any Diminution, the Trustee shall have a valid, perfected and enforceable continuing supplemental lien on, and security interest in, all of the assets of the Debtor of any kind or nature

whatsoever within the meaning of section 541 of the Bankruptcy Code, whether acquired or arising before or after the Petition Date, and the proceeds, rents, products and profits therefrom, exclusive of the Charitable Assets, the Avoidance Actions and any proceeds therefrom (collectively, the “Supplemental Liens”); provided, however, the Supplemental Liens shall be subject to the (a) Post-Petition Liens, (b) Permitted Liens, (c) the Card Security, and (d) the Carve-Out;

- (iii) Prepetition Superpriority Claim. As additional adequate protection for any Diminution, the Trustee shall receive a superpriority expense claim allowed under section 507(b) of the Bankruptcy Code (the “Prepetition Superpriority Claim”) against all assets of the Debtor’s estate. The Prepetition Superpriority Claim shall have priority over any and all other unpaid administrative expenses now existing or hereafter arising, of any kind whatsoever, of the kind specified in sections 503(b) and 507(b) of the Bankruptcy Code, and over any and all administrative expenses or other claims arising under sections 105, 326, 328, 330, 331, 503(b), 506(c), 507(a), 507(b), 546, 726, 1113 or 1114 of the Bankruptcy Code, and shall at all times be senior to the rights of the Debtor, any successor trustee or any creditor in the Chapter 11 Case or any subsequent proceedings under the Bankruptcy Code, whether or not such expenses or claims may become secured by a judgment lien or other nonconsensual lien, levy or attachment; provided, however, the Prepetition Superpriority Claim shall be subject to the (a) Post-Petition Liens, (b) Superpriority Claim, (c) Permitted Liens, (d) the Card Security, and (e) the Carve-Out; provided, further, that the Trustee shall use commercially reasonable efforts to first seek recovery from Debtor assets other than Avoidance Actions (or proceeds thereof) before seeking recovery from Avoidance Actions (of proceeds thereof) with respect to this Prepetition Superpriority Claim; and
- (iv) Financial Reports. The Debtor shall provide the Trustee with all reports, documents and other materials, including financial reports, as may be required in this Final Order and such other and further access to the Debtor’s books and records, advisors and professionals as may be reasonably requested by the Trustee from time to time.

PROVISIONS COMMON TO THE DIP LOANS AND TRUSTEE AS HOLDER OF THE BOND CLAIM

Covenants

21. Covenants. The Debtor shall observe all covenants in this Final Order and the DIP Loan Documents at all times prior to and after the Termination Date (as defined below). The Debtor agrees as follows (and the Parties acknowledge that failure to comply with such covenants shall constitute an Event of Default (as defined below) under this Final Order:

Budget and Reporting Covenants:

- (i) The Debtor shall be in Compliance with the Budget. Compliance with the Budget (“Compliance”) means: on the last business day of every other week, for any rolling four-week period while any DIP Obligations are outstanding (a “Measuring Period”), the Debtor (a) shall not permit payments for such Measuring Period to exceed (x) one hundred and fifteen percent (115%) of the respective amounts, measured as to each line item in the Budget, and (y) one hundred ten percent (110%) of the respective amounts, measured on an aggregate basis, as set forth in the Budget for such Measuring Period; provided that expenditures for estate professional fees shall not exceed one hundred percent (100%) of the amount allocated for such expenditures in the Budget for such Measuring Period, provided that the budgeted disbursements for subsequent Budget periods are permitted to be amended so that the Debtor may (x) carry forward any unspent budgeted line item disbursements for estate professionals from prior periods and (y) carry back any unspent budgeted line item disbursements for estate professionals from future periods; and (ii) shall not permit receipts for such Measuring Period to be less than eighty-five percent (85%) of the amounts, on an aggregate basis, set forth for such Measuring Period in the Budget. The foregoing variance allowances are referred to herein as the “Variance.”
- (ii) The Debtor shall provide the following reports to the DIP Lender and the advisors to the Committee:
 - a. no later than 5:00 p.m. (prevailing Eastern Time) on Friday of every week (or if such Friday is not a business day, then the immediate succeeding business day), a weekly report certified by the Debtor, substantially in the same form as the Budget, indicating: (i) a comparative reconciliation, on a line-by-line and aggregate basis, of actual cash receipts and disbursements against the cash receipts and disbursements forecast in the Budget, and the percentage variance thereof, for (A) the weekly period ended on (and including) the immediately preceding Friday, (B) the cumulative period to date; and (ii) a written explanation of such variances;
 - b. at any time and from time to time that the Debtor receives any material written notice from any regulatory agency, the Debtor shall promptly provide a copy of such notice to the DIP Lender, and the Debtor shall provide to the DIP Lender copies of all material reports, certificates and notices that the Debtor may provide to any regulatory agency;
 - c. no later than thirty (30) days after the last day of each month, a reporting package that includes cash flow, income statement and balance sheet for such month, accounts payable and receivable reports with aging information and occupancy reports per level of care (by resident and by unit); and
 - d. as promptly as reasonably practicable from time to time following the DIP Lender’s reasonable request therefor, such other information (including

historical information) regarding the operations, business affairs and financial condition of the Debtor, the progress of the Chapter 11 Case or compliance with the terms of any DIP Loan Document.

Bankruptcy Milestones

22. The Debtor agrees that failure to materially comply with the following milestone covenants (the “Bankruptcy Milestones”) shall constitute an Event of Default:

- (i) On Thursday of every other week (or such other date as may be agreed upon by the Parties), the Debtor shall make available representatives reasonably acceptable to the DIP Lender and the Trustee for a conference call with the DIP Lender, the Trustee, the Bondholders, and their respective agents, advisors, and/or representatives to discuss cash flow, the operations of the Facility, the marketing and sale process and such other information as reasonably requested by the DIP Lender, the Trustee or the Bondholders;
- (ii) On or before thirty-five (35) days after the Petition Date, one or more orders (x) approving the bid procedures (the “Bid Procedures Order”) and (y) granting the related relief requested in the sale motion, each in form and substance reasonably acceptable to the Trustee, shall be entered;
- (iii) On or before January 16, 2026, the Bid Deadline (as defined in the Bid Procedures Order) shall have occurred;
- (iv) On or before January 21, 2026, the Debtor shall have commenced the Auction (as defined in the Bid Procedures Order); and
- (v) On or before January 28, 2026, the Sale Hearing (as defined in the Bid Procedures Order) shall have occurred.

23. The Debtor covenants and agrees that it will use its reasonable best efforts to comply with each of the Bankruptcy Milestones. Each of the Bankruptcy Milestones may be extended or waived in writing by the DIP Lender and/or the Trustee in their sole discretion. The Debtor shall promptly file with this Court a notice of any such extension or waiver; provided, however, that Bankruptcy Milestones may be extended upon consent of the parties without Court approval.

24. No Liens or Encumbrances. Prior to payment in full of the DIP Loans, the Debtor shall not sell, pledge, hypothecate or otherwise encumber any Post-Petition Collateral (any such

sale, pledge, hypothecation or other transfer shall be void *ab initio*). Further, there shall be no other claim or expense having priority or being *pari passu* to the priority granted to the DIP Lender and the Trustee in this Final Order while any portion of the DIP Loans remains outstanding, except with respect to the Carve-Out.

25. No Modification. Nothing contained herein shall alter or modify, or be deemed to alter or modify, the Bond Documents (or any other agreement to which the Trustee is party).

26. No Waiver. No consent by the DIP Lender or the Trustee to any administrative claims, including fees and expenses of professionals, sought to be assessed against or attributed to the Trustee, as applicable, in the Prepetition Collateral, or the Post-Petition Collateral pursuant to the provisions of sections 506(c) and/or 552(b) of the Bankruptcy Code or otherwise by, through or on behalf of the Debtor, shall be implied from any action, inaction or acquiescence. Except as expressly set forth herein, this Final Order is without prejudice to, and does not constitute a waiver of, expressly or implicitly, or otherwise impair, (i) any of the rights of the DIP Lender and Trustee under the Bankruptcy Code or under non-bankruptcy law, including, without limitation, the right of the DIP Lender and the Trustee to request additional adequate protection of their interests in the Prepetition Collateral or Post-Petition Collateral or relief from or modification of the automatic stay under section 362 of the Bankruptcy Code (or the Debtor's right to object thereto); or (ii) any other rights, claims or privileges (whether legal, equitable or otherwise) of the DIP Lender and the Trustee (or the Debtor's right to object thereto).

27. No Challenge. Notwithstanding anything else herein, subject to the proviso at the end of this sentence, no amounts under the Carve-Out, the proceeds of the DIP Loans and the proceeds of Prepetition Collateral (including Cash Collateral) and Post-Petition Collateral shall be used for the purpose of: (i) objecting to or contesting in any manner, or in raising any defenses to,

the validity, extent, perfection, priority, or enforceability of (a) the Bond Claim or the Prepetition Liens, (b) the DIP Loans or the Post-Petition Collateral with respect thereto or (c) any other rights, interests or liens of the DIP Lender, the Trustee and/or the Bondholders; (ii) asserting any claims or causes of action, including, without limitation, formal discovery proceedings in anticipation thereof and any actions under chapter 5 of the Bankruptcy Code against the DIP Lender and/or the Trustee or the Bondholders or invoking the equitable doctrine of “marshalling” or any other similar doctrine with respect to any of the Prepetition Collateral, the Post-Petition Collateral or otherwise; (iii) preventing, hindering or delaying the enforcement or realization by the Trustee, as applicable, upon any of the Prepetition Collateral or Post-Petition Collateral; (iv) incurring indebtedness except as permitted by this Final Order; (v) funding acquisitions, capital expenditures, capital leases or other transactions not in the ordinary course of the Debtor’s business other than as set forth in the Budget; (vi) modifying the rights of the Bondholders, except as otherwise contemplated by the Parties; (vii) modifying any adequate protection granted the DIP Lender and/or the Trustee; or (viii) commencing or prosecuting any motion, proceeding or cause of action against the DIP Lender and/or the Trustee, or their respective agents, attorneys, advisors or representatives. Notwithstanding the foregoing, not more than \$60,000 of the Carve-Out, any Cash Collateral or proceeds of the DIP Facility may be made available to reimburse the Committee, upon appropriate application therefor, for the Committee’s fees and expenses in investigating, including through formal discovery, the validity, priority, perfection and enforceability of the Trustee’s liens in the Prepetition Collateral.

Events of Default

28. Each of the following shall be considered an Event of Default (“Event of Default”) under the DIP Facility and this Final Order:

- (i) the failure to make payments on the DIP Loans (including interest payments) as and when due;
- (ii) the failure of the Debtor to pay all of its administrative expenses in full in accordance with and subject to the terms as provided for in the Budget;
- (iii) this Final Order becomes reversed, amended, supplemented, stayed, vacated or otherwise modified in any respect without the prior written consent of the DIP Lender and the Trustee or the Debtor seeks such relief without the prior consent of the DIP Lender and the Trustee;
- (iv) failure to meet any of the Bankruptcy Milestones or the terms of the Budget (including permitted variances) or comply in any respect with this Final Order;
- (v) the dismissal of the Chapter 11 Case, conversion of the Chapter 11 Case to a chapter 7 case, or suspension of the Chapter 11 Case under section 305 of the Bankruptcy Code;
- (vi) a trustee or receiver shall be appointed in the Chapter 11 Case, or a responsible officer or an examiner with enlarged powers shall be appointed in the Chapter 11 Case (beyond those set forth in section 1104(c) and 1106(a)(3) and (4) of the Bankruptcy Code);
- (vii) the granting of relief from the automatic stay to any creditor or party in interest other than the DIP Lender or Trustee on any Post-Petition Collateral (a) to permit foreclosure (or the granting of a deed in lieu of foreclosure or the like) on any material assets of the Debtor or (b) to permit other actions that would have a material adverse effect on the Debtor or its estate;
- (viii) any superpriority administrative expense claim or lien that is *pari passu* with or senior to the claims, charges or liens of the DIP Lender or the Trustee pursuant to this Final Order shall have arisen or be authorized or allowed;
- (ix) the Debtor shall make any payment (whether by way of adequate protection or otherwise) of principal or interest or otherwise on account of any Prepetition indebtedness or payables, other than payments authorized by the Court in respect of “first day” or other orders entered upon pleadings in form and substance satisfactory to the DIP Lender;
- (x) the cessation of Post-Petition Liens, Rollover Liens, Adequate Protection Payments, Supplemental Liens, Superpriority Claims, or Prepetition Superpriority Claim granted pursuant to this Final Order to be valid, perfected and enforceable in

all respects;

- (xi) the filing of any Challenge (as defined below) to the Prepetition Liens or Prepetition Collateral by the Debtor, or the Court grants standing to the Committee or another third party to pursue such Challenge;
- (xii) any DIP Loan Document shall cease to be effective or shall be contested by the Debtor;
- (xiii) failure to comply with any of the affirmative covenants, or take any action in violation of any of the negative covenants set forth in the DIP Loan Documents;
- (xiv) the occurrence of an Event of Default under the DIP Indenture; or
- (xv) failure to pay the amounts due under this Final Order by the Maturity Date.

Termination and Maturity

29. Notwithstanding anything herein, and except as provided in Paragraph 32, the Debtor shall no longer, pursuant to this Final Order or otherwise, be authorized to borrow funds and/or use Cash Collateral for any purpose hereunder upon the earliest of (i) the occurrence of an Event of Default and (ii) the Maturity Date (such earlier date, the “Termination Date”), provided, however, that the DIP Lender and/or Trustee shall provide five (5) business days (the “Default Notice Period”) written notice via email to counsel to the Debtor, the U.S. Trustee, and counsel to the Committee of any Event of Default (the “Default Notice”), and contemporaneously file such Default Notice on the docket in this Chapter 11 Case, and the Debtor may continue to use Cash Collateral pursuant to the Budget for five (5) business days after receipt of such Default Notice while the Debtor or the Committee seeks an expedited hearing to contest whether an Event of Default has occurred (including the failure to meet a Milestone), and the DIP Lender and the Trustee consent to the holding of such an expedited hearing within five (5) business days of such a filing (collectively, the “Debtor Default Period Rights”).

30. Notwithstanding the occurrence of an Event of Default, the DIP Lender and/or Trustee may elect in writing not to terminate the Debtor’s authority to borrow funds and/or use

Cash Collateral hereunder, as applicable, to waive defaults hereunder, to forbear from the exercise of rights and remedies hereunder and, subject to Court approval and the approval of the DIP Lender, to modify the Maturity Date and any Event of Default. Any such continued extension of financial accommodations shall be without prejudice to the DIP Lender's ability to terminate funding.

31. Notwithstanding the occurrence of an Event of Default or anything herein to the contrary, all of the rights, remedies, benefits and protections provided to the DIP Lender and the Trustee shall survive the Termination Date. Upon the Termination Date, the principal of and accrued interest and all other amounts owed to the DIP Lender under the DIP Loans shall be immediately due and payable.

Exercise of Rights

32. (a) Subject to the Debtor Default Period Rights, without further order from the Court, the automatic stay provisions of section 362 of the Bankruptcy Code are vacated and modified to the extent necessary to permit, upon the occurrence of any Event of Default, the DIP Lender to cease making any advances under the DIP Facility, including the DIP Loans.

(b) The DIP Lender and Trustee shall be entitled to apply the payments or proceeds of the Post-Petition Collateral or the Prepetition Collateral as they deem appropriate, subject to the Permitted Liens and the Carve-Out, and in no event shall the DIP Lender or the Trustee be subject to the equitable doctrine of "marshalling" or any other similar doctrine with respect to any of the Post-Petition Collateral or otherwise.

(c) Prior to exercising foreclosure, setoff or any other remedies with respect to the Post-Petition Collateral, the DIP Lender shall obtain an order authorizing such actions following notice and a hearing. Notice shall be shortened such that a hearing can be held on an expedited basis on five (5) days' notice, subject to Court availability.

Release

33. Subject to Paragraph 34, the Debtor hereby releases the DIP Lender and the Trustee, all Bondholders, and their respective affiliates, agents, attorneys, officers, directors and employees of all claims and/or causes of action by the Debtor arising out of or based upon or related to, in whole or in part, the Bonds, and any aspect of the Prepetition relationship between the Trustee and the Debtor and any other acts or omissions by the Trustee in connection with either the Bond Documents or its Prepetition relationship with the Debtor. Further, the Debtor and its estate waive any and all right to object to or contest the amount of the Bond Claim or the Trustee's security interests in the Prepetition Collateral and agree that all such claims and security interests have been duly perfected and are in all respects valid and enforceable first priority security interests and liens, subject and subordinate only to (i) Post-Petition Liens to the extent set forth herein, (ii) Permitted Liens and (iii) the Carve-Out.

34. Investigation Period. Any party in interest (including the Committee, but excluding the Debtor) may file an adversary proceeding or contested matter (a "Challenge") (i) challenging the amount, validity, extent, enforceability, perfection or priority of the Bond Claim or the Prepetition Liens in respect thereof or (ii) otherwise asserting any claims or causes of action against the Trustee and/or Bondholders on behalf of the Debtor's estate so long as any Challenge is filed with the Court on or before February 17, 2026 (such period of time, the "Investigation Period"). Any such adversary proceeding or contested matter brought after the conclusion of the Investigation Period shall be barred. If no Challenge is commenced by a party during the Investigation Period against the Trustee and/or Bondholders, then as to such party, (i) any repayment of the Bond Claim shall be deemed final and indefeasible, not subject to subordination or recharacterization and otherwise unavoidable, (ii) the Bond Claim shall constitute an allowed claim, not subject to subordination or recharacterization and otherwise unavoidable, for all

purposes in the Chapter 11 Case and any subsequent chapter 7 case, (iii) the Prepetition Liens on the Prepetition Collateral shall be deemed legal, valid, binding, perfected, not subject to defense, counterclaim, offset of any kind, subordination and otherwise unavoidable, (iv) the Trustee, the Bond Claim and the Prepetition Liens of the Trustee on the Prepetition Collateral shall not be subject to any other or further claims, causes of action or challenges by any party in interest including, without limitation, any successor thereto and (v) the Trustee, all Bondholders and their respective affiliates, agents, attorneys, officers, directors and employees shall be deemed released of all claims and/or causes of action by the Debtor, the Committee, the Debtor's estate, all parties in interest and any subsequently appointed trustee arising out of or based on any facts or circumstances occurring prior to the date hereof; provided further that if one or more claims are timely and properly filed under this Paragraph 34, then except for such claims, all other potential claims and causes of action are hereby deemed forever waived and barred. Notwithstanding the foregoing, no claims or cause of actions of any kind or nature may be asserted against the DIP Lender or the liens and claims granted to the DIP Lender under and/or related to the DIP Facility. Nothing in this Final Order shall be deemed to confer standing on the Committee or any other non-Debtor party in interest to commence a Challenge, and the Committee or other non-Debtor party in interest shall be required to move for standing within the Investigation Period, with a draft complaint attached to such motion or other pleading, and satisfy the applicable standard for obtaining standing to pursue estate causes of action; *provided, that* the filing of a standing motion (with draft complaint) shall toll the Investigation Period but only (a) as to the party that timely

filed the standing motion (with draft complaint), (b) until such motion is resolved or ruled upon by the Court and (c) with respect to the claims asserted in the draft complaint.

35. Section 364(e); Section 506(c); Section 552(b). The DIP Lender shall be entitled to all of the benefits of section 364(e) of the Bankruptcy Code for all DIP Loans. Except to the extent of the Carve-Out, no expenses of administration of the Chapter 11 Case or any future proceeding that may result therefrom, including liquidation in bankruptcy or other proceedings under the Bankruptcy Code, shall be charged against or recovered from the Post-Petition Collateral, the Prepetition Collateral or collateral subject to Rollover Liens and Supplemental Liens, pursuant to section 506(c) or 552(b) of the Bankruptcy Code or any similar principle of law, without the prior written consent of the DIP Lender and the Trustee and no such consent shall be implied from any other action, inaction, or acquiescence by the DIP Lender and/or the Trustee.

Carve-Out

36. In partial consideration of the Debtor's acknowledgement of the Bond Claim and the Debtor's waiver of any claims under sections 506(c) and 552(b) of the Bankruptcy Code, the DIP Lender and Trustee consent to the payment of certain expenses and professional fees incurred during the pendency of the Chapter 11 Case that shall be superior in all instances to the liens and claims of the DIP Lender and Trustee and all other parties (the "Carve-Out"). For purposes hereof, the "Carve-Out" means the sum of (a) the fees and expenses of professionals retained by the Debtor pursuant to section 327, 328, or 363 of the Bankruptcy Code (the "Debtor Professionals"), exclusive of ordinary course, non-restructuring professionals of Debtor, if any, in an aggregate amount not to exceed the sum of: the dollar amount of such fees and expenses to the extent (i) incurred or accrued and remaining unpaid prior to delivery of a Default Notice, (ii) provided for under the budget attached hereto as **Exhibit 2** (the "Professional Fee Accrual Budget"), and (iii) previously or subsequently allowed by Court order, plus (b) the statutory fees of the U.S.

Trustee pursuant to 28 U.S.C. § 1930 and the fees of the Clerk of this Court, together with interest, if any, at the statutory rate, plus (c) the reasonable fees and expenses incurred by a trustee under section 727(b) of the Bankruptcy Code and the allowed fees and expenses of any patient care ombudsman appointed pursuant to section 333 of the Bankruptcy Code, in an aggregate amount not to exceed \$50,000, plus (d) the dollar amount of fees and expenses of the Committee to the extent (i) incurred or accrued and remaining unpaid prior to delivery of a Default Notice, (ii) provided for under the Professional Fee Accrual Budget, and (iii) previously or subsequently allowed by Court order; plus (e) the dollar amount of the fees and expenses of the professionals retained by the Debtor or Committee to the extent incurred or accrued after a Default Notice in an aggregate amount not to exceed \$200,000 and provided that such fees and expenses are allowed by this Court. Prior to the payment of such fees and expenses from the amount available under the Carve-Out, such professionals shall first apply any retainers held by such professional to their allowed fees and expenses. Nothing herein shall constitute a waiver of any right of the DIP Lender or Trustee to object to fees and expenses of any professionals or to challenge any assertion that any amount of the fees and expenses remain unpaid (or the right to respond thereto). Except to the extent of and in consideration of the Carve-Out, (y) no expenses of administration of the Chapter 11 Case or any future proceeding that may result therefrom, including liquidation in bankruptcy or other proceedings under the Bankruptcy Code, shall be charged against or recovered from the DIP Lender, the Trustee, the Prepetition Collateral, or the Post-Petition Collateral pursuant to section 506(c) of the Bankruptcy Code or a similar principal of law; and (z) the “equities of the case” exception under section 552(b) of the Bankruptcy Code is waived as to the DIP Lender, the Trustee, the Prepetition Collateral, and the Post-Petition Collateral. Any payment

or reimbursement made in respect of any Carve-Out expenses incurred on or after an Event of Default shall permanently reduce the Carve-Out on a dollar-for-dollar basis.

37. For the avoidance of doubt, except as otherwise provided for in this Final Order, no portion of the Carve-Out, any Cash Collateral, or proceeds of the DIP Facility may be used for the payment of the fees and expenses of any person or firm incurred in connection with the challenging of any of the liens or claims of, or the initiation or prosecution of any Challenge, claim or action against, the DIP Lender, the Trustee and/or the Bondholders, in any capacity.

Credit Bid

38. The Debtor admits, acknowledges, and agrees that, subject to section 363(k) of the Bankruptcy Code, the DIP Lender and the Trustee have an absolute right to credit bid their respective obligations in any sale or other disposition of their respective collateral under the Bankruptcy Code.

DIP Lender Fee Review

39. The DIP Lender's professionals shall serve summary invoices requesting payment of its respective DIP Lender fees to the Debtor, U.S. Trustee, and the Committee. Absent objection by the U.S. Trustee, the Committee, or any other statutory committee appointed in this Chapter 11 Case within ten (10) days from receipt of an invoice, the Debtor shall pay such invoice. If the U.S. Trustee, the Committee, or any other statutory committee appointed in this Chapter 11 Case objects to the reasonableness of any DIP Lender fees, such objecting party must provide the DIP Lender written notice of such objection within ten (10) days of receipt of the summary invoice. Any objection that cannot be resolved between the parties shall be scheduled by the Debtor to be resolved by this Court. All undisputed DIP Lender fees shall be paid timely, subject to the terms of this paragraph.

Miscellaneous

40. The Debtor shall execute and deliver to the DIP Lender and the Trustee as applicable, any and all such agreements, financing statements, instruments and other documents as such parties may reasonably request to evidence, confirm, validate or perfect the liens granted pursuant hereto. The Debtor is authorized to do and perform all acts, to make, execute and deliver all instruments and documents, including the DIP Loan Documents; provided, however, that this Final Order shall be sufficient and conclusive evidence of the validity, perfection and priority of the Post-Petition Liens, Prepetition Liens, Rollover Liens and Supplemental Liens to the DIP Lender and Trustee, as applicable, without the necessity of filing or recording any financing statement, mortgage, notice or other instrument or document which may otherwise be required under the law or regulation of any jurisdiction or the taking of any other action to validate or perfect the Post-Petition Liens, Prepetition Liens, Rollover Liens and Supplemental Liens or to entitle those liens to the priorities granted herein

41. Based on the findings herein set forth, and in accordance with section 364(e) of the Bankruptcy Code, in the event any or all of the provisions of this Final Order are hereafter modified, amended or vacated by a subsequent order of this or any other Court, no such modification, amendment or vacation shall affect the validity and enforceability of any lien or priority authorized or created hereby. Notwithstanding any such modification, amendment or vacation, any claim granted to the DIP Lender and the Trustee hereunder arising prior to the effective date of such modification, amendment or vacation shall be governed in all respects by this Final Order and the DIP Lender and the Trustee shall be entitled to all of the rights, remedies, privileges and benefits, including the liens and priorities granted herein, with respect to any such claim.

42. Deemed Request for Stay Relief. This Final Order shall be deemed to constitute a request by the Trustee for relief from the automatic stay with respect to the Prepetition Collateral and for adequate protection as of the Petition Date and shall suffice for all purposes of section 507(b) of the Bankruptcy Code.

43. No Control. None of the DIP Lender, the Trustee or the Bondholders shall be deemed to be in control of the operations of the Debtor or to be acting as a “responsible person,” “managing agent” or “owner or operator” (as such terms or any similar terms are used in the United States Comprehensive Environmental Response, Compensation and Liability Act, as amended, or any similar Federal or state statute) with respect to the operation or management of the Debtor, notwithstanding any consent to this Final Order and extending financial accommodations of any type, kind or nature under this Final Order.

44. To the extent obligations remain due and owing under the DIP Loans, such obligations of the Debtor in respect of the DIP Loans shall not be discharged by the entry of an order confirming a plan of reorganization or a plan of liquidation in the Chapter 11 Case, but rather shall be required to be paid in full on the effective date of such plan, and, pursuant to section 1141(d)(4) of the Bankruptcy Code, the Debtor has waived such discharge with respect to the payment of the DIP Loans.

45. No Third Party Beneficiaries. The provisions of this Final Order shall be binding upon and inure to the benefit of the DIP Lender, the Trustee, the Debtor and their respective successors and assigns (including any trustee or other fiduciary hereafter appointed as a legal representative of the Debtor or with respect to the property of the estate of the Debtor). No rights are created hereunder for the benefit of any third party, any creditor or any direct, indirect or incidental beneficiary.

46. Modification of Stay. The automatic stay imposed by virtue of section 362 of the Bankruptcy Code is hereby vacated and modified insofar as necessary to permit (i) the Debtor to grant the Post-Petition Liens, the Rollover Liens and the Supplemental Liens to the DIP Lender and the Trustee, as applicable, (ii) the Trustee to accept and receive disbursements and/or payments and to apply moneys pursuant to the Bond Documents, (iii) the Parties to take any action specifically authorized or contemplated by this Final Order and to implement the DIP Facility and (iv) all acts, actions and transfers contemplated herein, including without limitation, transfers or application of Cash Collateral and other funds to the DIP Lender as provided herein;

47. Effectiveness. The findings of fact and conclusions of law contained in this Final Order shall take effect immediately upon the Effective Date. The liens and claims granted to the DIP Lender and the Trustee under this Final Order, and the priority thereof, and any payments made pursuant to this Final Order, shall be binding (subject to the terms of this Final Order) on the Debtor, any successor trustee or examiner, and all creditors of the Debtor, as provided in section 364(e) of the Bankruptcy Code.

48. Committee Fee Cap. The Committee agrees that the aggregate amount of fees, costs and expenses of its professionals in this Chapter 11 Case to be paid from the Prepetition Collateral and Post-Petition Collateral shall not exceed \$1,500,000 (the "Fee Cap"), and that it shall not seek allowance or payment of any amount in excess of the Fee Cap from the Prepetition Collateral or Post-Petition Collateral. Notwithstanding the foregoing, to the extent that the Committee professionals incur fees, costs and expenses in excess of the Fee Cap, such professional fees, costs and expenses, to the extent allowed by this Court, will be granted administrative priority status and such fees and expenses may only be paid from assets that do not constitute Prepetition Collateral or Post-Petition Collateral.

49. Any notice required hereunder shall be served on:

(a) *counsel to the Debtor:*

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- and -

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(b) *counsel to the Trustee:*

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(c) *counsel to the Official Committee of Unsecured Creditors:*

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-and-

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50. To the extent there exists any conflict between the Motion, any other motion, pleading, document, agreement or term sheet, any DIP Loan Document, the terms of the Interim Order, and the terms of this Final Order, this Final Order shall govern and control.

END OF ORDER

Prepared and presented by:

/s/ Marcus A. Helt

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*Proposed Counsel for the Debtor and
Debtor in Possession*

SCHEDULE 1

Permitted Liens

None.

EXHIBIT 1

Budget

Buckingham Senior Living Community, Inc.

Weekly Cash Forecast

	1 11/21/25	2 11/28/25	3 12/5/25	4 12/12/25	5 12/19/25	6 12/26/25	7 1/2/26	8 1/9/26	9 1/16/26	10 1/23/26	11 1/30/26	12 2/6/26	13 2/13/26	(B) Weeks 1 - 13 Total
Projected Collections in Period	\$1,370,459	\$685,230	\$136,811	\$547,246	\$1,368,115	\$684,057	\$81,310	\$271,034	\$1,355,168	\$271,034	\$731,791	\$135,894	\$543,576	\$8,181,726
Operating Disbursements														
Payroll - Salaries, Wages & Benefits	-	849,451	-	753,378	-	753,378	-	888,679	-	735,679	-	815,241	-	4,795,806
G&A	20,000	133,886	58,900	44,500	22,500	138,499	114,900	44,500	22,500	6,414	155,659	114,900	47,000	924,158
Culinary	34,156	36,333	98,892	64,433	30,500	53,525	98,892	64,433	30,500	-	44,864	98,892	80,646	736,066
Skilled Nursing Facility	7,750	7,750	160,025	36,350	7,750	7,750	161,341	34,800	6,200	6,200	6,200	162,891	36,350	641,357
Plant	20,567	36,775	46,042	54,112	20,567	33,335	46,042	56,603	20,567	-	35,407	46,042	55,547	471,606
Utilities	21,200	5,000	117,009	9,500	21,200	5,000	128,568	9,500	21,200	5,000	5,000	128,568	9,500	486,246
Marketing	12,020	12,020	62,605	12,020	12,020	6,620	62,605	12,020	9,356	-	12,020	62,605	12,020	290,595
Departmental	10,681	17,656	12,676	41,479	9,356	9,356	12,676	15,739	9,356	10,697	9,356	14,337	27,857	201,224
Other	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	65,000
Catch-up Payments	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Operating Disbursements	131,374	1,103,871	561,150	1,020,772	128,893	1,012,463	630,025	1,131,274	127,343	768,990	273,506	1,448,477	273,920	8,612,059
Cash from Operations	1,239,085	(418,641)	(424,338)	(473,526)	1,239,222	(328,406)	(548,715)	(860,241)	1,227,825	(497,956)	458,285	(1,312,583)	269,656	(5430,333)
Operating Receipts/Disbursements	-	-	-	(95,000)	-	-	-	-	(95,000)	-	-	-	(95,000)	(285,000)
Capital Expenditures	-	-	-	-	-	-	-	-	-	-	-	-	-	(270,000)
Independent Director Fees	-	-	(90,000)	-	-	-	-	(90,000)	-	-	-	(90,000)	-	-
Adequate Protection (DIP Loan Fees & Interest)	-	-	-	-	-	-	-	-	-	(1,099,279)	-	-	-	(1,291,279)
Professional Fees	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Professional Fees - Retainers	-	-	-	-	-	-	-	-	-	-	-	-	-	-
D&O Tail Policy	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Adequate Assurance Payments	(75,000)	-	-	-	-	-	-	-	-	-	-	-	-	(75,000)
Cash Flow	1,164,085	(418,641)	(514,338)	(568,526)	1,047,222	(328,406)	(548,715)	(950,241)	1,132,825	(1,597,236)	458,285	(1,402,583)	174,656	(2,351,612)
Beginning Cash and Investments	907,012	2,071,097	1,652,456	1,138,118	569,592	1,616,813	1,288,407	739,693	789,452	1,922,277	1,325,042	1,783,327	1,380,744	907,012
Collections	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Lease Deposits	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Protective Advance / DIP Loan Proceeds	-	-	-	-	-	-	-	1,000,000	-	1,000,000	-	1,000,000	-	3,000,000
Proceeds of Sale	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Net Cash Flow	1,164,085	(418,641)	(514,338)	(568,526)	1,047,222	(328,406)	(548,715)	(950,241)	1,132,825	(1,597,236)	458,285	(1,402,583)	174,656	(2,351,612)
Ending Cash and Investments	\$2,071,097	\$1,652,456	\$1,138,118	\$569,592	\$1,616,813	\$1,288,407	\$739,693	\$789,452	\$1,922,277	\$1,325,042	\$1,783,327	\$1,380,744	\$1,555,400	\$1,555,400
Protective Advance / DIP Loan														
Beginning Loan Balance	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(+) DIP Loan Proceeds	-	-	-	-	-	-	-	1,000,000	-	1,000,000	-	1,000,000	-	3,000,000
Ending Loan Balance	-	-	-	-	-	-	-	\$1,000,000	\$1,000,000	\$2,000,000	\$2,000,000	\$3,000,000	\$3,000,000	\$3,000,000
Loan Funds Remaining	\$4,000,000	\$4,000,000	\$4,000,000	\$4,000,000	\$4,000,000	\$4,000,000	\$4,000,000	\$3,000,000	\$3,000,000	\$2,000,000	\$2,000,000	\$1,000,000	\$1,000,000	\$1,000,000

EXHIBIT 2

Professional Fee Accrual Budget

Buckingham Senior Living Community, Inc.

Professional Fees & Disbursements													
Professional Fees Incurred													
	1	2	3	4	5	6	7	8	9	10	11	12	13
	11/21/25	11/28/25	12/5/25	12/12/25	12/19/25	12/26/25	1/2/26	1/9/26	1/16/26	1/23/26	1/30/26	2/6/26	2/13/26
													13-Week
													Total
Debtor Advisor													
Debtor Counsel	35,000	35,000	27,438	27,438	27,438	27,438	20,525	20,525	20,525	20,525	20,525	16,219	16,219
Debtor Regulatory Counsel	125,000	125,000	62,500	62,500	62,500	62,500	50,500	50,500	50,500	50,100	48,400	51,350	50,000
Debtor Trustee Counsel	48,750	48,750	11,250	11,250	11,250	11,250	9,000	9,000	9,000	9,000	9,000	11,250	11,250
Indenture Restructuring Fees	-	-	-	-	-	-	-	-	-	-	-	-	-
Unsecured Committee Restructuring Fees	-	-	-	-	175,000	125,000	125,000	175,000	150,000	130,000	130,000	85,000	85,000
Investment Banker Fees	-	-	-	-	50,000	-	-	-	-	3,130,000	-	-	-
Claims Agent Fees	-	-	-	-	142,000	-	-	-	-	75,000	-	-	-
Trustee Fees	-	9,882	-	-	-	25,522	-	-	-	-	34,443	-	-
Amidman	-	-	4,875	4,875	4,875	4,875	3,900	3,900	3,900	3,900	3,900	4,875	4,875
Professional Fees Incurred	208,750	218,632	106,063	106,063	473,063	256,585	208,925	258,925	233,925	3,418,525	246,268	168,694	167,244
Professional Fee Disbursements													6,071,760

EXHIBIT 2

Confirmation Order

ENTERED

November 09, 2021

Nathan Ochsner, Clerk

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE SOUTHERN DISTRICT OF TEXAS
HOUSTON DIVISION**

IN RE:	§	
	§	CASE NO. 21-32155 (MI)
BUCKINGHAM SENIOR LIVING COMMUNITY, INC. ¹	§	
	§	CHAPTER 11
Debtor.	§	
	§	Re: Dkt. No. 308
	§	

**FINDINGS OF FACT, CONCLUSIONS OF LAW,
AND ORDER CONFIRMING THE DEBTOR'S
FIRST AMENDED CHAPTER 11 PLAN OF REORGANIZATION**

Buckingham Senior Living Community, Inc. ("The Buckingham" or the "Debtor") having:

- a. entered into that certain plan support agreement dated June 24, 2021 (as amended, the "Plan Support Agreement");
- b. commenced, on June 25, 2021 (the "Petition Date"), this chapter 11 case (the "Case") by filing a voluntary petition in the United States Bankruptcy Court for the Southern District of Texas (the "Court") for relief under Chapter 11 of title 11 of the United States Code (the "Bankruptcy Code");
- c. filed on the Petition Date, the *Declaration of Michael Wyse in Support of Debtor's Chapter 11 Petition and First Day Motions* [Dkt. No. 17];
- d. filed on the Petition Date, the *Chapter 11 Plan of Reorganization* [Dkt. No. 21] (as amended, supplemented, or modified from time to time, and including all exhibits and supplements thereto, including the Plan Supplement, the "Plan"), and the *Disclosure Statement Relating to the Debtor's Chapter 11 Plan of Reorganization* [Dkt No. 22] (as amended, supplemented, or modified from time to time, and including all exhibits and supplements thereto, the "Disclosure Statement");²
- e. filed on September 19, 2021, a revised Plan [Dkt. No. 308] and a revised Disclosure Statement [Dkt. No. 309];
- f. obtained, on September 23, 2021, entry of an *Order (A) Approving First Amended Disclosure Statement Relating to the Debtor's First Amended*

¹ The last four digits of the Debtor's federal tax identification number are: 7872. The location of the Debtor's principal place of business and the service address for the Debtor is: 8580 Woodway Drive Houston, Texas 77063.

² Capitalized terms not herein defined shall have the meanings ascribed to them in the Plan.

Chapter 11 Plan of Reorganization; (B) Approving Form of Ballots and Solicitation, Voting, and Balloting Procedures; (C) Approving Form and Manner of Notice Thereof; (D) Scheduling Dates for the Objection Deadline and Hearing Relating to the Confirmation of the Plan; and (E) Authorizing Other Relief Relating to Plan Solicitation and Plan Confirmation Process [Dkt. No. 337] (the “Disclosure Statement Order”), that, among other things, (a) approved the Disclosure Statement as having adequate information, as required under section 1125(a) of the Bankruptcy Code, (b) approved the procedures for soliciting, receiving, and tabulating votes with regard to the acceptance or rejection of the Plan (the “SVB Procedures”), (c) approved the forms of notice, ballots, notice of Confirmation Hearing and opt-out form (the “Confirmation Hearing Notice and Opt-Out Form”), and other related documents (collectively, the “Solicitation Packages”), and (d) scheduled the Confirmation Hearing;

- g. caused, on or before September 27, 2021 (the “Solicitation Date”), the Solicitation Packages to be distributed consistent with the Bankruptcy Code, the Federal Rules of Bankruptcy Procedure (the “Bankruptcy Rules”), and the Disclosure Statement Order, as evidenced by, among other things, the *Affidavit of Service* [Dkt. No. 349] (the “Solicitation Affidavit”) filed by Bankruptcy Management Solutions d/b/a Stretto (“Stretto”), the Debtor’s Court-approved balloting agent, on September 29, 2021, as supplemented by the *Supplemental Solicitation Affidavits* [Dkt. Nos. 451, 452, 453] filed by Stretto on October 28, 2021;
- h. caused, on or before October 5, 2021, the (a) *Notice of Executory Contracts and Unexpired Leases That May be Assumed Pursuant to Sections 365 and 1123 of the Bankruptcy Code, in Connection with the First Amended Chapter 11 Plan of Reorganization and the Proposed Cure Amounts with Respect Thereto*; and (b) *Notice of Assumption of Current Residence Agreements Pursuant to Sections 365 and 1123 of the Bankruptcy Code, in Connection with the First Amended Chapter 11 Plan of Reorganization and the Proposed Cure Amounts with Respect Thereto* (as amended, modified, or supplemented, the “Assumption Notices”) to be distributed to certain counterparties to the Debtor’s executory contracts and unexpired leases, as evidenced by, among other things, the *Contract Affidavit of Service* [Dkt. No. 351] filed by Stretto on October 7, 2021, as supplemented by the *Supplemental Contract Affidavit of Service* [Dkt. No. 474] filed by Stretto on November 3, 2021 (the Supplemental Contract Affidavit of Service, and together with the Contract Affidavit of Service, the “Contract/Lease Affidavit”);
- i. caused notice of the Confirmation Hearing (the “Publication Notice”) to be published in the Houston Chronicle on September 30, 2021, as evidenced by the *Affidavit of Publication* [Dkt. No. 350] (the “Publication Affidavit”, and

together with the Solicitation Affidavit, the Supplemental Solicitation Affidavits, and the Contract/Lease Affidavit, the “Notice Affidavits”) filed by Stretto on October 4, 2021;

- j. continued to operate its business as debtor in possession pursuant to section 1107(a) and 1108 of the Bankruptcy Code;
- k. filed, on October 28, 2021, the *Notice of Plan Supplement for the First Amended Chapter 11 Plan of Reorganization* [Dkt. No. 459] (the “Original Plan Supplement”);
- l. filed, on November 1, 2021, the *Notice of Amended Plan Supplement for the First Amended Chapter 11 Plan of Reorganization* [Dkt. No. 471] (together with the Original Plan Supplement, the “Plan Supplement”);
- m. filed, on November 5, 2021, the Certification of Stretto regarding Tabulation of Votes in Connection with the Debtor's First Amended Chapter 11 Plan of Reorganization [Dkt. No. 484] (the “Voting Report”);
- n. filed, on November 5, 2021, the *Debtor’s Brief in Support of Confirmation of First Amended Chapter 11 Plan of Reorganization* [Dkt. No. 485] (the “Confirmation Brief”);
- o. filed the *Declaration of Michael Wyse in Support of Entry the First Amended Chapter 11 Plan of Reorganization* [Dkt. No. 490-11] (the “Wyse Confirmation Declaration”);
- p. filed the *Declaration of James D. Knox in Support of Entry the First Amended Chapter 11 Plan of Reorganization* [Dkt. No. 490-12] (the “Knox Confirmation Declaration”);
- q. filed the *Declaration of Tom Buck in Support of Entry of the First Amended Chapter 11 Plan of Reorganization* [Dkt. No. 490-13 as supplemented on the record at the Confirmation Hearing] (the “Buck Confirmation Declaration”);
- r. filed the *Declaration of Thomas L. Brod in Support of Confirmation of the Debtor’s First Amended Plan of Reorganization* [Dkt. No. 490-15] (the “Brod Confirmation Declaration”); and
- s. filed the *Declaration of David B. Fields in Support of the Debtor’s First Amended Plan of Reorganization* [Dkt. No. 490-14] (the “Fields Confirmation Declaration,” and together with the Voting Report, the Wyse Confirmation Declaration, the Knox Confirmation Declaration, the Buck Confirmation Declaration, and the Brod Confirmation Declaration, the “Confirmation Declarations”).

This Court having:

- a. entered, on September 23, 2021, the Disclosure Statement Order [Dkt. No. 337], which among other things, approved the Disclosure Statement [Dkt. No. 309] as containing adequate information pursuant to the Section 1125 of the Bankruptcy Code;
- b. set November 2, 2021 as the deadline for voting on the Plan and for filing objections to the Plan;
- c. scheduled November 9, 2021 at 3:00 p.m. (prevailing Central time), as the date and time for the commencement of the Confirmation Hearing pursuant to Bankruptcy Rules 3017 and 3018 and sections 1126, 1128, and 1129 of the Bankruptcy Code;
- d. reviewed and considered the Plan, the Disclosure Statement, the Confirmation Declarations, the Confirmation Brief, the Voting Report, the Notice Affidavits, the Plan Supplement, and all pleadings, exhibits, statements, responses, and comments regarding confirmation of the Plan ("Confirmation");
- e. held the Confirmation Hearing and heard the statements and arguments made by counsel in respect of Confirmation and any objections thereto;
- f. heard and considered all oral representations, live testimony, written direct testimony, documents, filings, and other evidence regarding Confirmation;
- g. made rulings on the record at the Confirmation Hearing;
- h. overruled all objections to the Plan and Confirmation, if any, and all statements and reservations of rights not consensually resolved or withdrawn; and
- i. taken judicial notice of all papers and pleadings filed in this Case, all evidence proffered or adduced, and all arguments made at the hearings held before this Court during the pendency of this Case.

NOW, THEREFORE, this Court having found that notice of the Confirmation Hearing and the opportunity for any party in interest to object to Confirmation having been adequate and appropriate as to all parties affected or to be affected by the Plan and the transactions contemplated thereby; and the record of this Case and the legal and factual bases set forth in the documents filed in support of Confirmation and presented at the Confirmation Hearing including, but not limited

to, the Voting Report, the Notice Affidavits, and the Confirmation Declarations, each of which was admitted into evidence at the Confirmation Hearing, establish just cause for the relief granted in this Confirmation Order; and after due deliberation thereon and good cause appearing therefore, this Court hereby makes and issues the following findings of fact, conclusions of law, and order:

FINDINGS OF FACT AND CONCLUSIONS OF LAW

A. Findings and Conclusions

1. The findings and conclusions set forth herein and in the record of the Confirmation Hearing constitute this Court's findings of fact and conclusions of law pursuant to Rule 52 of the Federal Rules of Civil Procedure, as made applicable herein by Bankruptcy Rules 7052 and 9014. To the extent that any of the following findings of fact constitute conclusions of law, they are adopted as such. To the extent any of the following conclusions of law constitute findings of fact, they are adopted as such.

B. Jurisdiction, Core Proceeding, Applicable Law

2. This Court has jurisdiction over this matter pursuant to 28 U.S.C. §1334. Consideration of whether the Plan complies with the applicable provisions of the Bankruptcy Code is a core proceeding under 28 U.S.C. § 157(b)(2). The Debtor confirms its consent, pursuant to Bankruptcy Rule 7008, to entry of a Final Order by this Court to the extent that it is later determined that this Court, absent consent of the Party cannot enter a Final Order in accordance with Article III of the United States Constitution.

C. Venue

3. Venue in the Bankruptcy Court for the Southern District of Texas was proper as of the Petition Date and continues to be proper pursuant to 28 U.S.C. §§ 1408 and 1409.

D. Eligible for Relief

4. The Debtor was and is qualified to be a debtor in this Case under section 109(a) and (d) of the Bankruptcy Code.

E. Commencement of This Case

5. On the Petition Date, the Debtor commenced a chapter 11 case by filing a voluntary petition for relief under chapter 11 of the Bankruptcy Code.

6. Since the Petition Date, the Debtor has operated its business as debtor in possession pursuant to sections 1107(a) and 1108 of the Bankruptcy Code. No request for the appointment of a trustee or examiner has been made in this Case.

F. Appointment of Statutory Creditors' Committee

7. On July 12, 2021, the United States Trustee for the Southern District of Texas (the "U.S. Trustee") appointed the Creditors' Committee [Dkt. No. 97]. On August 3, 2021, following the resignation of Mr. Kendall Montgomery from the Creditors' Committee, the U.S. Trustee appointed Mr. Joe Redden, Jr., on behalf of the Estate of Katherine Louise Redden, to the Creditors' Committee [Dkt. No. 147]. No other official committee has been appointed in this Case.

G. Judicial Notice

8. This Court takes judicial notice of (and deems admitted into evidence for purposes of Confirmation) the docket of this Case maintained by the clerk of the Court or its duly appointed agent, including all pleadings and other documents on file, all orders entered, all hearing transcripts, and all evidence and arguments made, proffered, or adduced at the hearings held before this Court during this Case.

H. Disclosure Statement Order

9. On September 23, 2021, this Court entered the Disclosure Statement Order, which, among other things: (a) approved the proposed Disclosure Statement as containing adequate information within the meaning of section 1125 of the Bankruptcy Code and Bankruptcy Rule 3017; (b) approved the SVB Procedures and the filing of the Plan Supplement; (c) scheduled November 9, 2021 at 3:00 p.m. (prevailing Central time) as the date and time for the Confirmation Hearing; and (d) approved notice and objection procedures.

10. The Debtor's filing of the Plan Supplement complies and is consistent with the Disclosure Statement Order, the Bankruptcy Code and the terms of the Plan, and the filing and notice of such documents were good and proper and in accordance with the Bankruptcy Code, the Bankruptcy Rules, the Disclosure Statement Order, and the facts and circumstances of this Case. No other or further notice is or will be required with respect to the Plan Supplement. All documents included in the Plan Supplement are integral to, part of, and incorporated by reference into the Plan. All Holders of Claims who voted to accept the Plan and who are conclusively presumed to have accepted the Plan are deemed to have accepted the Plan as supplemented by the Plan Supplement. Subject to the terms of the Plan, the Debtor reserves the right to alter, amend, update, or modify the Plan Supplement before the Effective Date subject to compliance with the Bankruptcy Code and the Bankruptcy Rules, provided that no such alteration, amendment, update, or modification shall be inconsistent with the terms of this Order or the terms of the Plan.

I. Objections Resolved

11. No outstanding objections existed as of the commencement of the confirmation hearing.

J. Transmittal and Mailing of Materials; Notice

12. As evidenced by, among other things, the Notice Affidavits and the Voting Report, due, adequate, and sufficient notice of the Plan (including the release, exculpation, and injunction provisions contained therein), the Plan Supplement, the Disclosure Statement, the Confirmation Hearing, the Solicitation Packages, the Confirmation Hearing Notice and Opt-Out Form, entry of the Disclosure Statement Order, and the resolution of disputes by this Court relating thereto has been given to, as applicable: (a) all known and unknown Holders of Claims; (b) all parties that requested notice in accordance with Bankruptcy Rule 2002; (c) all non-Debtor counterparties to executory contracts and unexpired leases; (d) all taxing authorities listed on the Debtor's Schedules or the claims register in this Case; (e) all Residents; (f) the U.S. Securities and Exchange Commission (the "SEC"); (g) the Internal Revenue Service (the "IRS"); (h) the Comptroller of Public Accounts for the State of Texas (the "Texas Comptroller"); (i) the Office of the United States Attorney General (the "Attorney General"); (j) the Attorney General for the State of Texas (the "Texas Attorney General"); (k) the Texas Health and Human Services Commission; (l) the U.S. Environmental Protection Agency (the "EPA"); (m) the Office of the United States Trustee; (n) the Texas Department of Insurance; (o) the U.S. Department of Labor; (p) all persons and entities listed on the Debtor's mailing matrix; and (q) such other government agencies to the extent required by the Bankruptcy Rules and the Local Rules, each of which was provided notice in substantial compliance with the Disclosure Statement Order and Bankruptcy Rules 2002(b), 3017, 3019, and 3020(b), and no other or further notice is or shall be required. Due, adequate, and sufficient notice of the Voting Deadline (as defined in the Disclosure Statement Order), the

deadline to object or respond to confirmation of the Plan (the “Objection Deadline”), the deadline to object to the assumption and/or assumption and assignment of any Executory Contract (including any unexpired lease) or to the cure cost associated therewith (the “Assumption Objection Deadline”), the Confirmation Hearing (as may be continued from time to time), and any other applicable dates, deadlines, and hearings described in the Disclosure Statement Order was given in compliance with the Bankruptcy Code, the Bankruptcy Rules, and the Disclosure Statement Order, and no other or further notice is or shall be required.

K. Solicitation

13. The Debtor solicited votes for acceptance and rejection of the Plan in good faith and in compliance with the Bankruptcy Code, and pursuant to sections 1125, 1126, and all other applicable sections of the Bankruptcy Code, Bankruptcy Rules 3017, 3018, and 3019, the Disclosure Statement Order, and all other applicable rules, laws, and regulations. The Solicitation Package (as defined in the Disclosure Statement Order) provided the opportunity for creditors to opt-out of the Third Party Releases (as defined below). All procedures used to distribute Ballots (as defined in the Disclosure Statement Order) and Solicitation Packages to the applicable Holders of Claims and to tabulate the Ballots were fair and reasonable and conducted in good faith and in accordance with the Disclosure Statement Order and the applicable provisions of the Bankruptcy Code, the Bankruptcy Rules, the Local Rules for the United States Bankruptcy Court for the Southern District of Texas (the “Local Rules”), and all other applicable rules, laws, and regulations. The Debtor and the other Released Parties acted in “good faith” within the meaning of section 1125(e) of the Bankruptcy Code and in compliance with the applicable provisions of the Bankruptcy Code and Bankruptcy Rules in connection with all of their conduct relating to the solicitation of acceptances of the Plan and the other activities described in section 1125 of the

Bankruptcy Code. The Debtor and the other Released Parties are entitled to the protections afforded by section 1125(e) of the Bankruptcy Code and the exculpation provisions set forth in Article XII of the Plan.

14. Under Sections 1126(f) and 1126(g) of the Bankruptcy Code, the Debtor was not required to solicit votes from Holders of Claims in the Non-Voting Classes, each of which is conclusively presumed to have accepted the Plan. Nevertheless, the Debtor served the Confirmation Hearing Notice and the Unclassified Claims Notice and Unimpaired Claims Notice (as defined in the Disclosure Statement Order) and Opt-out Forms Holders of Claims in the Non-Voting Classes, as applicable, which adequately summarized the material terms of the Plan, including classification and treatment of Claims and the releases, exculpation and injunction provisions of the Plan. Further, because the Opt-out Form was included in the applicable Ballots and in the Notices of Non-Voting Status, every known stakeholder in this Case, including all creditors, was provided with the means to opt-out of the Third Party Releases.

L. Voting Report

15. Before the Confirmation Hearing, the Debtor filed the Voting Report. As set forth in the Voting Report, the procedures used to tabulate the ballots were fair and conducted in accordance with the Disclosure Statement Order, the Bankruptcy Code, the Bankruptcy Rules, and all other applicable rules, laws, and regulations.

16. As set forth in the Plan, Holders of Claims in Class 2 (Secured Bond Claims), Class 4 (Pre-Effective Date Refund Queue Claims), Class 6 (Trade Claims) and Class 7 (General Unsecured Claims) (collectively, the “Voting Classes”) were eligible to vote on the Plan pursuant to the SVB Procedures. Additionally, Holders of Claims in Class 1 (Priority Non-Tax Claims), Class 3 (Miscellaneous Secured Claims) and Class 5 (Current Resident Claims) are Unimpaired

and conclusively presumed to have accepted the Plan and, therefore, were not entitled to vote to accept or reject the Plan.

17. As evidenced by the Voting Report, every Voting Class has voted to accept the Plan.

M. Bankruptcy Rule 3016

18. The Plan is dated and identifies the Debtor as the entity submitting it, thereby satisfying Bankruptcy Rule 3016(a). The Debtor appropriately filed the Disclosure Statement and the Plan with this Court, thereby satisfying Bankruptcy Rule 3016(b). The injunction, release, and exculpation provisions in the Plan, as described in the Disclosure Statement describe, in bold font with specific and conspicuous language, all releases and acts to be enjoined and the entities that will be subject to the injunction, thereby satisfying Bankruptcy Rule 3016(c).

N. Burden of Proof

19. The Debtor, as proponent of the Plan, has met its burden of proving the elements of sections 1129(a) and 1129(b) of the Bankruptcy Code and Bankruptcy Rule 9019 by a preponderance of the evidence, the applicable evidentiary standard for Confirmation. Further, the Debtor has satisfied its burdens with respect to each element of sections 1129(a) and 1129(b) of the Bankruptcy Code and Bankruptcy Rule 9019. Each witness who testified in support of the Plan at the Confirmation Hearing was credible, reliable, and qualified to testify as to the topics addressed in his or her testimony.

O. 2021 Bond Documents

20. Implementation of the Restructuring Transaction as set forth in Article 6.01 of the Plan and execution of the 2021 Bond Documents is in the best interest of the Debtor, the Estate,

Creditors and other parties in interest. The Debtor, and/or Reorganized Debtor,³ as applicable, shall be authorized to take any action necessary or appropriate to carry out the Restructuring Transaction, including executing and complying with the 2021 Bond Documents.

P. The Dunn Litigation

21. The Dunn Plaintiffs and the Debtor wish to fully and finally resolve and settle all disputes, matters, claims, and causes of action between them, including those asserted in *Dunn, et al. v. Buckingham Senior Living Community, Inc., et al.* (the “State Court Litigation”), the Dunn Counterclaim,⁴ and the Debtor’s objections to Proof of Claim numbers 66, 68-71, 74 (the “Dunn Plaintiffs’ Claims”) as set forth herein. The agreement and settlement between the Dunn Plaintiffs and the Debtor as set forth herein is in the best interest of the Estate and parties in interest.

Q. Compliance with the Requirements of Section 1129 of the Bankruptcy Code

22. The Plan complies with all applicable provisions of section 1129 of the Bankruptcy Code as follows:

a. Sections 1129(a)(1) – Compliance with Provisions of the Bankruptcy Code

23. The Plan complies with all applicable provisions of the Bankruptcy Code, including sections 1122, and 1123 thereof, as required by section 1129(a)(1) of the Bankruptcy Code.

i. Sections 1122 and 1123(a)(1)—Proper Classification

24. The classification of Claims under the Plan is proper under the Bankruptcy Code. In accordance with sections 1122(a) and 1123(a)(1) of the Bankruptcy Code, Article III of the Plan provides for the separate classification of Claims into Classes, based on differences in the legal nature or priority of such Claims (other than Administrative Claims, Professional Fee Claims,

³ “Reorganized Debtor” means, as of the Effective Date, reorganized Buckingham Senior Living Community, Inc.

⁴ As defined in the Disclosure Statement.

Priority Tax Claims, DIP Claims, and payment of U.S. Trustee statutory fees, which are each addressed in Article II of the Plan and are required not to be designated as separate Classes pursuant to section 1123(a)(l) of the Bankruptcy Code). Valid business, factual, and legal reasons exist for the separate classification of the Classes of Claims created under the Plan, the classifications were not implemented for any improper purpose, and the creation of such Classes does not unfairly discriminate between or among Holders of Claims.

25. In accordance with section 1122(a) of the Bankruptcy Code, each Class of Claims contains only Claims substantially similar to the other Claims within that Class. Accordingly, the Plan satisfies the requirements of sections 1122(a), 1122(b), and 1123(a)(l) of the Bankruptcy Code.

ii. Section 1123(a)(2)—Specification of Unimpaired Classes

26. Article III of the Plan specifies that Claims in the Deemed Accepting Classes are Unimpaired under the Plan. In addition, Article II of the Plan specifies that Allowed Administrative Claims, Professional Fee Claims, Priority Tax Claims, and DIP Claims with respect to the Plan are Unimpaired, although the Plan does not classify these Claims. Accordingly, the Plan satisfies the requirements of section 1123(a)(2) of the Bankruptcy Code.

iii. Sections 1123(a)(3)—Specification of Treatment of Impaired Classes

27. Article III of the Plan specifies the treatment of each Impaired Class under the Plan. Accordingly, the Plan satisfies the requirements of section 1123(a)(3) of the Bankruptcy Code.

iv. Sections 1123(a)(4)—No Discrimination

28. Article III of the Plan provides the same treatment to each Claim in any particular Class, as the case may be, unless the Holder of a particular Claim or Interest has agreed to a less

favorable treatment with respect to such Claim. Accordingly, the Plan satisfies the requirements of section 1123(a)(4) of the Bankruptcy Code.

v. Section 1123(a)(5)-Adequate Means for Plan Implementation

29. The Plan and the various documents included in the Plan Supplement provide adequate and proper means for the Plan's execution and implementation, including: (a) the general settlement of Claims; (b) implementation of the Restructuring Transaction; (c) the issuance and distribution of new bonds in accordance with the Plan; (d) the authorization, approval, and entry of corporate actions under the Plan; (e) the vesting of Estate assets in the Reorganized Debtor; (f) the assumption of the Insurance Policies; (g) approval and adoption of the new Governance Documents; (h) selection of the directors and officers for the Reorganized Debtor; (i) the preservation and vesting of certain Causes of Action in the Reorganized Debtor; (j) all other actions contemplated under the Plan (whether to occur before, on, or after the Effective Date); and (k) other acts or actions contemplated or reasonably necessary or appropriate to promptly consummate the Restructuring Transaction contemplated by the Plan (whether to occur before, on, or after the Effective Date). Accordingly, the Plan satisfies the requirements of section 1123(a)(5) of the Bankruptcy Code.

vi. Section 1123(a)(6)-Non-Voting Equity Securities

30. In accordance with Article VI of the Plan, on or immediately prior to the Effective Date, the new Governance Documents shall be automatically adopted by the Reorganized Debtor. The new Governance Documents will prohibit the issuance of non-voting equity Securities, thereby satisfying section 1123(a)(6). Accordingly, the Plan satisfies the requirements of section 1123(a)(6) of the Bankruptcy Code.

vii. Section 1123(a)(7) – Selection of Litigation Trustee and Directors in a Manner Consistent with the Interest of Creditors and Public Policy

31. In accordance with Article VI of the Plan, the terms of the current members of the Debtor's board of directors shall expire and the new Buckingham Board will include those listed in the Plan Supplement. The selection of the Litigation Trustee and the selection of new directors of the Reorganized Debtor is set forth in Article VI of the Plan and in the Plan Supplement. The selection of the Litigation Trustee and the individuals serving on the Buckingham Board has been accomplished in a fair and reasonable manner, consistent with public policy and the amendments to the corporate governance documents as set forth in the Plan Supplement. Accordingly, the Plan satisfies the requirements of section 1123(a)(7) of the Bankruptcy Code.

viii. Impairment/Unimpairment of Any Class of Claims or Interests—Section 1123(b)(1)

32. Article III of the Plan impairs or leaves unimpaired, as the case may be, each Class of Claims and Interests, as contemplated by section 1123(b)(1) of the Bankruptcy Code.

ix. Assumption and Rejection of Executory Contracts and Unexpired Leases—Section 1123(b)(2)

33. In accordance with section 1123(b)(2) of the Bankruptcy Code, Article VIII of the Plan provides that, as of the Effective Date, all of the Assumed Residence Agreements and Assumed Contracts will be assumed by the Debtor. As of the Effective Date, except as otherwise provided in the Plan, each Executory Contract not previously assumed or rejected pursuant to an order of this Court shall be deemed rejected as of the Effective Date in accordance with the provisions and requirements of sections 365 and 1123 of the Bankruptcy Code, except for any Executory Contract (a) that is a Assumed Residence Agreement or an Assumed Contract; (b) that

is the subject of a separate motion or notice to assume or reject Filed by the Debtor on or before the Confirmation Date; or (c) that previously expired or terminated pursuant to its own terms.

34. As reflected in the Notice Affidavits (including the Contract/Lease Affidavit), the Debtor has provided adequate notice to each non-Debtor counterparty to each Executory Contract of the deadline to file a Contract Objection (as defined in the Disclosure Statement Order), the treatment of such non-Debtor counterparty's contract(s) and/or lease(s) pursuant to the Plan, and, with respect to Executory Contracts being assumed under the Plan, the proposed Cure Cost related thereto, and no other or further notice is or shall be required. The Debtor, in assuming the Executory Contracts under the Plan, (a) utilized its sound business judgment, (b) provided adequate assurance of future performance (within the meaning of section 365 of the Bankruptcy Code) and no further adequate assurance is or shall be required, and (c) complied with section 365 of the Bankruptcy Code, as contemplated by section 1123(b)(2) of the Bankruptcy Code.

35. The Plan is, therefore, consistent with section 1123(b)(1)-(2) of the Bankruptcy Code.

x. Section 1123(b)(3) – Settlement, Releases, Exculpation, Injunction, and Preservation of Claims and Causes of Action

36. **Compromises and Settlements.** Except for those Contributed Causes of Action which shall be transferred to the Litigation Trust as set forth in the Plan, in consideration for the classification, distribution and other benefits provided under the Plan, the provisions of the Plan and this Confirmation Order constitute a good faith compromise and settlement of all Claims and controversies relating to any Allowed Claim or any distribution to be made on account thereof or otherwise resolved pursuant to the Plan, including, without limitation, all Claims arising before the Petition Date, whether known or unknown, foreseen or unforeseen, asserted or unasserted,

arising out of, relating to or in connection with the business or affairs of, or transactions with, the Debtor. The compromises and settlements embodied in the Plan and this Confirmation Order preserve value by, among other things, enabling the Debtor to avoid extended, value-eroding litigation that could delay the Debtor's emergence from chapter 11. The entry of this Confirmation Order shall constitute this Court's approval of each of the foregoing compromises or settlements, and all other compromises and settlements provided for in the Plan, and this Court's findings shall constitute its determination that such compromises and settlements are in the best interest of the Debtor, the Estate, Creditors and other parties in interest, and are fair, equitable and within the range of reasonableness.

37. **Releases by the Debtor.** The releases set forth in Section 13.03(1) of the Plan (collectively, the "Debtor Releases") constitute an essential and critical provision of the Plan and formed an integral part of the agreement among all parties in interest embodied in the Plan. The Debtor has satisfied the business judgment standard with respect to the propriety of the Debtor Releases. The Debtor's or the Reorganized Debtor's, as applicable, pursuit of any such Claims or Causes of Actions against the Released Parties is not in the best interests of the Estate, or the Debtor's various constituencies because the costs involved would likely outweigh any potential benefit from pursuing such Claims or Causes of Action and there is a low probability of success in litigation with respect to the claims and Causes of Action released pursuant to the Plan. The Debtor Releases, which include by reference each of the related provisions and definitions contained in the Plan, are: (a) within the jurisdiction of this Court pursuant to 28 U.S.C. § 1334; (b) in exchange for the good and valuable consideration provided by the Released Parties; (c) the product of good faith, arm's length negotiations among the Debtor and its stakeholders; (d) good

faith settlements and compromises of the Claims released by such releases; (e) in the best interests of the Debtor, its Estate, and its creditors; (f) fair, equitable, and reasonable; (g) prominently and conspicuously displayed and disclosed in the Plan, Disclosure Statement, Confirmation Hearing Notice and Opt-Out Form, Publication Notice, and Solicitation Packages; (h) given and made after due notice and opportunity for hearing; and (i) a bar to the Debtor, the Reorganized Debtor, or the Debtor's Estate asserting any Claim or Cause of Action released pursuant to the Debtor Releases. No other or further notice is or will be required with respect to the Debtor Releases.

38. The Debtor Releases appropriately offer protection to parties that actively and constructively participated in the Debtor's restructuring efforts. Such protections from liability facilitated the participation of many of the Debtor's stakeholders in the negotiations and compromises that led to the Plan. Each of the Released Parties made significant concessions and contributions to this Case.

39. Particularly, the Trustee on behalf of the Bondholders, consented to the use of the Bondholders' cash collateral and provided post-petition financing on terms favorable to the Debtor and the Estate, which provided the liquidity and financing necessary to fund the administration of this Case with their claims being satisfied in accordance with the Plan Support Agreement. The Bondholders have agreed to reduce, restructure and waive a portion of their claims to allow for the deleveraging of the Debtor's capital structure. Likewise, certain Bondholders have agreed to provide up to \$28.5 million in new money. Based upon all of the foregoing, the Debtor Release to the Bondholders and the Bond Trustee is appropriate and reasonable.

40. The scope of the Debtor Releases is appropriately tailored under the facts and circumstances of this Case. In light of, among other things, the value provided by the Released

Parties to the Debtor's Estate and the critical nature of the Debtor Releases to the Plan, the Debtor Releases are **APPROVED**.

41. **Release by Holders of Claims.** The releases set forth in Section 13.03(2) of the Plan (collectively, the "Third Party Releases") constitute an essential and critical provision of the Plan and formed an integral part of the agreement among all parties in interest embodied in the Plan. The Third Party Releases are: (a) consensual; (b) essential to the Confirmation of the Plan; (c) given in exchange for a substantial contribution and for the good and valuable consideration provided by the Released Parties that is important to the success of the Plan; (d) good faith settlements and compromises of the Claims released by the foregoing third party release; (e) in the best interests of the Debtor and its Estate; (f) fair, equitable, and reasonable; (g) prominently and conspicuously displayed and disclosed in the Plan, Disclosure Statement, Confirmation Hearing Notice and Opt-Out Form, Publication Notice, and Solicitation Packages; (h) given and made after due notice and opportunity for hearing; and (i) a bar to any party that granted a Third Party Release from asserting any claim or Cause of Action released pursuant to the Third Party Releases. No other or further notice is or will be required with respect to the Third Party Releases.

42. The Third Party Releases are an integral part of the Plan. Similar to the Debtor Releases, the Third Party Releases and their protections facilitated the participation of many of the Debtor's stakeholders in the negotiations and compromises that led to the Plan and the structure for the Debtor's reorganization. The Third Party Releases were critical in incentivizing parties to support the Plan and preventing significant and time-consuming litigation. Specifically, the Released Parties, individually and collectively, made significant contributions to this Case, including, among other things, allowing the use of the Bondholders' collateral during this Case,

waiving a portion of the Bondholders' claim, restructuring the Bondholders' claim under terms favorable to other constituencies, including the Residents, providing debtor-in-possession financing to preserve value for all stakeholders, and facilitating or otherwise actively supporting the Debtor's reorganization contemplated by the Plan.

43. The Third Party Releases therefore appropriately offer protection to parties who actively and constructively participated in and contributed to the Debtor's reorganization and without whom the proposed reorganization contemplated by the Plan could not have been achieved. The Third Party Releases are consensual, as all parties in interest were provided notice of this chapter 11 Case, the Plan, the deadline to object to Confirmation of the Plan, and the Confirmation Hearing. Additionally, all Holders of Claims against the Debtor were given the opportunity to opt-out of the Third Party Releases, and the release provisions were conspicuous and emphasized with bold face type in the Plan, the Disclosure Statement, and the Ballots or applicable Unclassified Claims Notice, Unimpaired Claims Notice and Opt-Out Form.

44. The scope of the Third Party Releases in the Plan is appropriately tailored to the facts and circumstances of this Case, and all Holders of Claims, whether known or unknown, and all other parties in interest received due and adequate notice of the Third Party Releases and, to the extent provided under the Plan, the opportunity to opt out of or object to the Third Party Releases. Among other things, the Plan provides appropriate and specific disclosures with respect to the claims and Causes of Action that are subject to the Third Party Release, and no other disclosure is necessary. The Debtor, as evidenced by the Solicitation Affidavits, provided sufficient notice of the Third Party Releases and no other or further notice is necessary. The Third Party Releases are consistent with established practice in this jurisdiction and others. The Third

Party Releases are specific in language, integral to the Plan, and given for substantial consideration. In light of, among other things, the value provided by the Released Parties to the Debtor's Estate, the consensual nature of the Third Party Releases, and the critical nature of the Third Party Releases to the Plan and in providing finality for the Debtor, the Third Party Releases are **APPROVED**.

45. **Exculpation.** The exculpation provisions set forth in Section 13.04 of the Plan (the "Exculpation") and incorporated in this Confirmation Order are essential to the Plan. The record in this Case supports the Exculpation which is appropriate under applicable law because it was proposed in good faith, formulated following extensive good faith, arm's-length negotiations with key constituents, is a critical and essential element of the Plan, and is appropriately limited in scope, as it will have no effect on the liability of any Person or Entity that results from any such act or omission that is determined by a Final Order to have constituted gross negligence or willful misconduct. The parties exculpated by the Exculpation (the "Exculpated Parties") subject to the Exculpation have, and upon entry of this Confirmation Order will be deemed to have, participated in good faith and in compliance with all applicable laws with regard to the distribution of recoveries under the Plan, and therefore, are not, and on account of such distributions, shall not be liable at any time for the violation of any applicable law, rule or regulation, governing the solicitation or distribution under the Plan. The Exculpation is (a) in the best interests of the Debtor and its Estate; (b) fair, equitable, and reasonable; (c) prominently and conspicuously displayed and disclosed in the Plan, Disclosure Statement, Confirmation Hearing Notice and Opt-Out Form, Publication Hearing Notice, and Solicitation Packages; and (d) given and made after due notice

and opportunity for hearing. No other or further notice is or will be required with respect to the Exculpation. Accordingly, the Exculpation is **APPROVED**.

46. **Permanent Injunction.** The injunctive provisions set forth in Section 13.05 of the Plan (the “Permanent Injunction”) are essential to the Plan and are necessary to implement the Plan and to preserve and enforce the Debtor Releases, the Third Party Releases, and the Exculpation in Article XIII of the Plan. Such Permanent Injunction is appropriately tailored to achieve those purposes. The Permanent Injunction is (a) in the best interests of the Debtor and its Estate; (b) fair, equitable, and reasonable; (c) prominently and conspicuously displayed and disclosed in the Plan, Disclosure Statement, Confirmation Hearing Notice and Opt-Out Form, Publication Hearing Notice, and Solicitation Packages; and (d) given and made after due notice and opportunity for hearing. No other or further notice is or will be required with respect to the Permanent Injunction. Accordingly, the Permanent Injunction is **APPROVED**.

47. **Retained Causes of Action and Authority to Pursue, Settle, or Abandon Retained Causes of Action.** Causes of Action not released by the Debtor or exculpated under the Plan or this Confirmation Order will be retained by the Reorganized Debtor as provided by the Plan. The Plan is specific and unequivocal with respect to Retained Causes of Action and the Plan and the Plan Supplement provide meaningful disclosure with respect to the potential Causes of Action that the Reorganized Debtor may retain, and all parties in interest received adequate notice with respect to such Causes of Action. The provisions regarding Causes of Action in the Plan and/or the Plan Supplement are appropriate and in the best interest of the Debtor, its Estate, and the Holders of Claims. For the avoidance of any doubt, Causes of Action Released or Exculpated will not be retained by the Reorganized Debtor or the Litigation Trust. The provisions regarding

the authority to pursue, settle, transfer or abandon Retained Causes of Action in the Plan are appropriate and are in the best interests of the Debtor, its Estate, and its creditors. As evidenced by, among other things, the Notice Affidavits, the Debtor provided due, proper, and adequate notice of the Retained Causes of Action and no other or further notice is or will be required with respect to the Retained Causes of Action.

48. Except for those Contributed Causes of Action which shall be transferred to the Litigation Trust as set forth in Article VI of the Plan, from and after the Effective Date, prosecution and settlement of all Retained Causes of Action shall be the responsibility of the Reorganized Debtor, pursuant and subject to the terms of the Plan and this Confirmation Order. Subject to the terms of the Plan, from and after the Effective Date, pursuant to section 1123(b)(3) of the Bankruptcy Code (a) the Litigation Trustee shall have the exclusive rights, powers, and interests to pursue, settle, or abandon only the Contributed Causes of Action as a representative of the Estate only with respect to such Contributed Causes of Action; and (b) the Reorganized Debtor shall have the exclusive rights, powers, and interests of the Estate to pursue, settle, or abandon all other Retained Causes of Action as the representative of the Estate.

49. In light of the foregoing, the Plan is consistent with section 1123(b)(3) of the Bankruptcy Code.

xi. Section 1123(b)(4) – Sale of Substantially All Assets

50. Section 1123(b)(4) of the Bankruptcy Code, which permits a plan to provide for the sale of all or substantially all of a debtor's property, is not applicable to this Case.

xii. Section 1123(b)(5) – Modification of the Rights of Holders of Claims

51. Article III of the Plan modifies or leaves unaffected, as the case may be, the rights of Holders of each Class of Claims, and therefore, the Plan is consistent with section 1123(b)(5) of the Bankruptcy Code.

xiii. Section 1123(b)(6) – Other Provisions Not Inconsistent with Applicable Provisions of the Bankruptcy Code

52. The Plan includes additional appropriate provisions that are not inconsistent with applicable provisions of the Bankruptcy Code, including: (a) the provisions of Article VI of the Plan regarding the means for executing and implementing the Plan; (b) the provisions of Article VIII of the Plan governing the treatment of Executory Contracts; (c) the provisions of Article XI of the Plan governing distributions on account of Allowed Claims, particularly as to the timing and calculation of amounts to be distributed; (d) the provisions of Article XII of the Plan regarding the releases, Exculpation, and Permanent Injunction; and (e) the provisions of Article XII of the Plan regarding retention of jurisdiction by this Court over certain matters after the Effective Date. The Plan is therefore consistent with section 1123(b)(6) of the Bankruptcy Code.

xiv. Section 1123(d) – Cure of Defaults

53. Section 8.02 of the Plan provides for the satisfaction of Cure Claims associated with each Executory Contract to be assumed in accordance with section 365(b)(1) of the Bankruptcy Code. Any monetary defaults under each Assumed Executory Contract shall be satisfied, pursuant to section 365(b)(1) of the Bankruptcy Code, by payment of the default amount in Cash on the Effective Date, or as soon as reasonably practicable thereafter, subject to the limitations described in Article VIII of the Plan, or on such other terms as the parties to such

Executory Contracts may otherwise agree. Except as expressly provided in this Confirmation Order, any disputed Cure Claims will be determined in accordance with the procedures set forth in Article IX of the Plan or this Confirmation Order and applicable bankruptcy and nonbankruptcy law. As such, the Plan provides that the Debtor will cure, or provide adequate assurance that the Debtor will promptly cure, defaults with respect to assumed Executory Contracts in accordance with section 365(b)(1) of the Bankruptcy Code. Assumption of any Executory Contract pursuant to the Plan or otherwise shall result in the full release and satisfaction of any Claims or defaults, whether monetary or nonmonetary, including defaults of provisions restricting the change in control or ownership interest composition or other bankruptcy-related defaults, arising under any assumed Executory Contract at any time prior to the effective date of assumption. Thus, the Plan complies with section 1123(d) of the Bankruptcy Code.

b. Section 1129(a)(2) – Debtor Compliance with Applicable Provisions of the Bankruptcy Code

54. The Debtor, as the plan proponent, and except as otherwise provided or permitted by orders of this Court, has complied with all applicable provisions of the Bankruptcy Code, as required by section 1129(a)(2) of the Bankruptcy Code, including sections 1121, 1122, 1123, 1124, 1125, 1126, 1127, and 1128 of the Bankruptcy Code and Bankruptcy Rules 3016, 3017, 3018, and 3019. The Debtor is an eligible debtor under section 109, and a proper proponent of the Plan under section 1121(a) of the Bankruptcy Code. The Disclosure Statement and the SVB Procedures by which the ballots for acceptance or rejection of the Plan were solicited and tabulated were fair, properly conducted, and in accordance with sections 1125 and 1126 of the Bankruptcy Code, Bankruptcy Rules 3017 and 3018, the Disclosure Statement Order, the Local Rules, and any applicable nonbankruptcy law, rule, and regulation. The Debtor and its respective directors,

employees, representatives, advisors, attorneys, financial advisors, investment bankers, and/or agents, as applicable, have acted in “good faith,” within the meaning of section 1125(e) of the Bankruptcy Code. The Plan therefore complies with section 1129(a)(2) of the Bankruptcy Code.

c. Section 1129(a)(3) – Proposal of the Plan in Good Faith

55. The Debtor has proposed the Plan (including the Plan Supplement and all other documents necessary to effectuate the Plan) in good faith and not by any means forbidden by law. In determining that the Plan has been proposed in good faith, this Court has examined the totality of the circumstances surrounding the formulation of the Plan and the global settlement of Claims, Causes of Action, and controversies embodied therein. This Case was filed, and the Plan was proposed, with the legitimate purpose of allowing the Debtor to implement the Restructuring Transaction, reorganize, and emerge from bankruptcy with a capital and organizational structure that will allow the Debtor to conduct its business and satisfy its obligations with sufficient liquidity and capital resources. The Debtor’s good faith is evident from the facts and record of this Case, the Confirmation Declarations, the Disclosure Statement, and the record of the Confirmation Hearing. Based on, among other things, the Disclosure Statement and the evidence presented at the Confirmation Hearing, this Court finds and concludes that the Plan has been proposed with the legitimate and honest purpose of maximizing the value of the Debtor’s Estate for the benefit of all Holders of Claims. Moreover, the Plan itself and the arm’s length negotiations among the Debtor, the Trustee, the Bondholders, the Creditors’ Committee, and the Debtor’s other constituencies leading to the Plan’s formulation, as well as the overwhelming support of creditors for the Plan, provide independent evidence of the Debtor’s good faith in proposing the Plan. Further, the Plan’s classification, indemnification, settlement, discharge, exculpation, release, and injunction provisions have been negotiated in good faith and at arm’s length, are consistent with sections 105,

1122, 1123(b)(6), 1127, 1129, and 1142 of the Bankruptcy Code, and are each necessary for the Debtor's successful reorganization. Accordingly, the requirements of section 1129(a)(3) of the Bankruptcy Code are satisfied.

d. Section 1129(a)(4) – Court Approval of Certain Payments as Reasonable

56. Except as otherwise provided or permitted by the Plan or other orders of this Court, any payment made or to be made by the Debtor for services or for costs and expenses of professionals in connection with this Case, or in connection with the Plan and incident to this Case (including, without limitation, the payment of Professional Fee Claims under Article II of the Plan), has been approved by, or is subject to the approval of, this Court as reasonable, thereby satisfying section 1129(a)(4) of the Bankruptcy Code.

e. Section 1129(a)(5) – Disclosure of Management and Directors with the Interests of Creditors and Public Policy

57. Pursuant to section 1129(a)(5) of the Bankruptcy Code, (a) information concerning the management of the Reorganized Debtor has been disclosed in the Plan, Disclosure Statement, and/or the Plan Supplement; and (b) the proposed compensation payable to any insiders of the Debtor, if any, has been disclosed in the Plan Supplement. The proposed directors for the Reorganized Debtor are qualified and the appointment of such individuals is consistent with the interests of Holders of Claims and with public policy.

f. Section 1129(a)(6) - Approval of Rate Changes

58. Section 1129(a)(6) of the Bankruptcy Code is inapplicable to this Case. The Plan proposes no rate change subject to the jurisdiction of any governmental regulatory commission.

g. Section 1129(a)(7) - Best Interests of Holders of Claims

59. The Plan satisfies the requirements of section 1129(a)(7) of the Bankruptcy Code. The evidence in support of the Plan that was proffered or adduced at the Confirmation Hearing, including the Confirmation Declarations, the liquidation analysis attached to the Disclosure Statement as Exhibit C, and the facts and circumstances of this Case: (a) is reasonable, persuasive, credible, and accurate as of the dates such evidence was prepared, presented, or proffered; (b) utilizes reasonable and appropriate methodologies and assumptions; (c) has not been controverted by other evidence; and (d) establishes that Holders of Allowed Claims in each Class will recover at least as much under the Plan on account of such Claim or Interest, as of the Effective Date, as such Holder would receive if the Debtor were liquidated, on the Effective Date, under chapter 7 of the Bankruptcy Code.

h. Section 1129(a)(8) – Acceptance of Plan by Impaired Classes

60. Certain Classes of Claims are Unimpaired and are deemed conclusively to have accepted the Plan pursuant to section 1126(f) of the Bankruptcy Code. Additionally, all Impaired Classes that were entitled to vote, Class 2 (Secured Bond Claims), Class 4 (Pre-Effective Date Refund Queue Claims), Class 6 (Trade Claims), and Class 7 (General Unsecured Claims) have voted to accept the Plan (without considering acceptances of the Plan by any “insider” as defined in the Bankruptcy Code). No Class of Claims are deemed to have rejected the Plan pursuant to section 1126(g) of the Bankruptcy Code. Accordingly, Section 1129(a)(8) is satisfied.

i. Section 1129(a)(9) – Treatment of Claims Entitled to Priority Pursuant to Section 507(a) of the Bankruptcy Code

61. Article II of the Plan provides for treatment of Administrative Claims, Priority Tax Claims, Professional Fee Claims, and DIP Facility Claims, in the manner required by

section 1129(a)(9) of the Bankruptcy Code. Additionally, Article IV of the Plan provides for the treatment of Priority Non-Tax Claims in the manner required by section 1129(a)(9).

j. Section 1129(a)(10) – Acceptance by at Least One Impaired Class

62. As indicated in the Voting Report and as reflected in the record of the Confirmation Hearing, at least one Class of Claims that is Impaired under the Plan has voted to accept the Plan, disregarding any votes by insiders. The Plan therefore complies with section 1129(a)(10) of the Bankruptcy Code.

k. Section 1129(a)(11) – Feasibility of the Plan

63. The Plan satisfies section 1129(a)(11) of the Bankruptcy Code. The evidence in support of the Plan that was proffered or adduced, at or before, the Confirmation Hearing, including the Confirmation Declarations, and the facts and circumstances of this Case: (a) is reasonable, persuasive, credible, and accurate as of the dates such evidence was prepared, presented or proffered; (b) has not been controverted by other persuasive evidence; (c) together with the record of this Case and the evidence presented at or before the Confirmation Hearing, establishes that the Plan is feasible and confirmation of the Plan is not likely to be followed by liquidation or the need for further reorganization; (d) establishes that the Debtor or Reorganized Debtor, as applicable, will have sufficient funds available to meet its obligations under the Plan; and (e) establishes that the Debtor or the Reorganized Debtor, as applicable, will have the financial wherewithal to pay any claims that accrue, become payable, or are allowed by Final Order following the Effective Date. As such, the Plan provides adequate and appropriate means for its implementation, thereby satisfying the requirements of section 1129(a)(11) of the Bankruptcy Code.

I. Section 1129(a)(12) - Payment of Statutory Fees

64. Article II of the Plan provides for the payment of all fees due and payable pursuant to 28 U.S.C. § 1930, including fees and expenses payable to the U.S. Trustee, as determined by this Court at the Confirmation Hearing in accordance with Section 1128 of the Bankruptcy Code or otherwise agreed to by the Debtor and the U.S. Trustee. Such fees shall be paid by the Debtor or the Reorganized Debtor, as applicable (including any fraction thereof) until the earliest of the Debtor's chapter 11 Case being closed, dismissed, or converted to a case under Chapter 7 of the Bankruptcy Code. Accordingly, the Plan satisfies the requirements of Section 1129(a)(12) of the Bankruptcy Code.

m. Section 1129(a)(13) – Retiree Benefits

65. The Debtor maintains no programs providing for retiree benefits (as that term is defined in section 1114 of the Bankruptcy Code). Therefore, section 1129(a)(13) of the Bankruptcy Code is not applicable.

n. Sections 1129(a)(14) and (a)(15) of the Bankruptcy Code are Inapplicable

66. The Debtor is not (a) required to pay any domestic support obligations, (b) an individual. Accordingly, sections 1129(a)(14) and (a)(15) of the Bankruptcy Code do not apply to this Case.

o. Section 1129(a)(16) - Applicable Nonbankruptcy Law Regarding Transfers

67. All transfers of property under the Plan have been made in accordance with applicable provisions of nonbankruptcy law that govern the transfer of such property by a corporation that is not a moneyed, business, or commercial corporation or trust, thereby satisfying the requirements of section 1129(a)(16) of the Bankruptcy Code.

p. Section 1129(b) – Confirmation of the Plan Over the Non-Acceptance of Impaired Classes

68. All Impaired Classes that were entitled to vote, Class 2 (Secured Bond Claims), Class 4 (Pre-Effective Date Refund Queue Claims), Class 6 (Trade Claims), and Class 7 (General Unsecured Claims) have voted to accept the Plan (without considering acceptances of the Plan by any “insider” as defined in the Bankruptcy Code). No Class of Claims are deemed to have rejected the Plan pursuant to section 1126(g) of the Bankruptcy Code. Accordingly, section 1129(b) is not applicable.

q. Section 1129(c) – Only One Plan

69. Other than the Plan, no other plan has been confirmed or filed in this Case. Accordingly, the Plan satisfies the requirements of Section 1129 of the Bankruptcy Code.

r. Section 1129(d) – Purpose of Plan

70. No Governmental Unit⁵ has requested that this Court refuse to confirm the Plan on the grounds that the principal purpose of the Plan is the avoidance of taxes or the avoidance of the application of Section 5 of the Securities Act. As evidence by its terms, the primary purpose of the Plan is not the avoidance of taxes or the avoidance of the requirements of section 5 of the Securities Act of 1933, 15 U.S.C. § 77e. The Plan therefore complies with section 1129(d) of the Bankruptcy Code.

s. Section 1129(e) – Not a Small Business Case

71. This Case is not a Small Business Case, and accordingly, Section 1129(e) of the Bankruptcy Code does not apply.

⁵ “Governmental Unit” has the meaning set forth in section 101(27) of the Bankruptcy Code.

t. Section 1125(e) – Good Faith Solicitation

72. The Debtor and the Exculpated Parties, and any and all directors, members, managers, employees, attorneys, and advisors of each of the foregoing, as applicable, have acted in “good faith” within the meaning of Section 1125(e) of the Bankruptcy Code and in compliance with the applicable provisions of the Bankruptcy Code, the Bankruptcy Rules, and the Local Rules in connection with all their respective activities relating to support and consummation of the Plan, including the execution, delivery and performance of the Plan Support Agreement, the solicitation of acceptances of the Plan, their participation in this Case, and the activities described in Section 1125 of the Bankruptcy Code, and are entitled to the protections afforded by Section 1125(e) of the Bankruptcy Code.

u. Satisfaction of Confirmation Requirements

73. Based upon the foregoing and all other pleadings and evidence proffered or adduced at or before the Confirmation Hearing, the Plan, and the Debtor, as applicable, complies in all respects with the applicable requirements of section 1129 of the Bankruptcy Code.

R. Settlements Embodied in the Plan Satisfy Bankruptcy Rule 9019

74. All of the settlements and compromises pursuant to and in connection with the Plan or incorporated by reference into the Plan comply with the requirements of section 1123(b)(3) of the Bankruptcy Code and Bankruptcy Rule 9019. Pursuant to Bankruptcy Rule 9019 and in consideration for the benefits provided under the Plan, any and all compromise and settlement provisions of the Plan constitute good-faith compromises, are in the best interests of the Debtor, the Debtor’s Estate, and all Holders of Claims, and are fair, equitable, and reasonable. The foregoing includes, without limitation, the global settlement of Claims, Causes of Action, and controversies embodied in the Plan.

S. Good Faith Participation

75. Based upon the record before this Court, the Released Parties have acted in good faith within the meaning of section 1125(e) of the Bankruptcy Code in compliance with the provisions of the Bankruptcy Code and Bankruptcy Rules in connection with all their respective activities relating to this Case, and the negotiation and pursuit of confirmation of the Plan. Therefore, they are entitled to the protections afforded by section 1125(e) of the Bankruptcy Code and by the applicable releases and the exculpatory and injunctive provisions set forth in Article XIII of the Plan.

T. Agreements and other Documents

76. The Debtor has disclosed all material facts, to the extent applicable, regarding: (a) the Litigation Trust Agreement; and (b) the adoption, execution, and delivery of all contracts, instruments, releases, and other agreements related to the Plan, including but not limited to the 2021 Bond Documents.

U. Treatment of Executory Contracts and Unexpired Leases

77. As evidenced by, among other things, the Notice Affidavits (including the Contract/Lease Affidavit), the Debtor provided due, proper, and adequate notice of the treatment of each and every Executory Contract to each non-Debtor counterparty to such Executory Contracts, including any proposed Cure Cost associated therewith, and no other or further notice is or will be required.

78. The Debtor has exercised reasonable business judgment in determining whether to assume, assume and assign, or reject Executory Contracts pursuant to Article VIII of the Plan. Each rejection, assumption, or assumption and assignment of an Executory Contract pursuant to Article VIII of the Plan shall be legal, valid, and binding upon the Debtor or Reorganized Debtor,

and its successors and assigns to such Executory Contract, all to the same extent as if such rejection, assumption, or assumption and assignment were effectuated pursuant to an order of this Court under section 365 of the Bankruptcy Code entered before entry of this Confirmation Order. Moreover, the Debtor has cured, or provided adequate assurance that the Debtor or Reorganized Debtor or its successors and assigns to such Executory Contracts, as applicable, will cure, defaults (if any) under or relating to each of the Executory Contracts that are being assumed by the Debtor pursuant to the Plan. Additionally, the Debtor or Reorganized Debtor or its successors and assigns to such Executory Contracts, as applicable, have provided adequate assurance of future performance under such Executory Contracts being assumed or assumed and assigned, as applicable.

V. Insurance Policies

79. Confirmation and Consummation of the Plan, the assumption and/or assignment of the Debtor's insurance policies, and the vesting of such insurance policies, if any, in the Reorganized Debtor as set forth in the Plan, shall not impair or otherwise affect (a) any parties' rights to coverage thereunder, including in respect of any claims pending as of the Effective Date or pursued or made thereafter; (b) the ability to terminate such policies; (c) the termination of the insurance policies pursuant to their own terms; or (d) any available defenses of the Debtor, the or the Reorganized Debtor or any insurer under the insurance policies.

W. Likelihood of Satisfaction of Conditions Precedent to Effective Date

80. Without limiting or modifying the rights of the Debtor, each of the conditions precedent to the Effective Date, as set forth in Article VI of the Plan, has been or is reasonably likely to be satisfied or waived in accordance with Article VI of the Plan.

X. Implementation

81. All documents and agreements necessary to implement the Plan, including those contained in the Plan Supplement, the 2021 Bond Documents, and all other relevant and necessary documents, have been negotiated in good faith and at arm's length, are in the best interests of the Debtor and the Debtor's Estate, and shall, upon completion of documentation and execution, be valid, binding, and enforceable documents and agreements not in conflict with any federal, state, or local law. The Debtor has exercised reasonable business judgment in determining which agreements to enter into and has provided sufficient and adequate notice of such documents and agreements. The terms and conditions of such documents and agreements have been negotiated in good faith, at arm's length, and are fair and reasonable.

Y. Retention of Jurisdiction

82. This Court properly may retain jurisdiction over the matters set forth in Article XII of the Plan and other applicable provisions of the Plan.

ORDER

BASED ON THE FOREGOING FINDINGS OF FACT AND CONCLUSIONS OF LAW, IT IS ORDERED, ADJUDGED, AND DECREED THAT:

A. Confirmation of the Plan

1. The Plan, a copy of which is attached as **Exhibit A**, along with each of its provisions (whether or not specifically approved herein) and all operative exhibits and schedules and agreements related thereto, including the 2021 Bond Documents, are **APPROVED** and **CONFIRMED** in each and every respect pursuant to section 1129 of the Bankruptcy Code, as expressly modified herein.

2. This Confirmation Order approves all documents included in the Plan Supplement, including the documents contained therein that may be amended in accordance with and as permitted by this Confirmation Order. Subject to the terms of the Plan, the Debtor reserves the right to alter, amend, update, or modify the Plan Supplement before the Effective Date in accordance with section 1127(b) of the Bankruptcy Code or remedy any defect or omission or reconcile any inconsistency in the Plan in such manner as may be necessary to carry out the purpose and intent of the Plan.

3. In accordance with section 1127 of the Bankruptcy Code and Bankruptcy Rule 3019, all Holders of Claims that voted to accept the Plan or who are conclusively presumed to accept the Plan are deemed to have accepted the Plan.

4. The terms of the Plan (as certain defined terms are modified in Section B below), the Plan Supplement, all exhibits thereto, and the Confirmation Order shall be effective and binding as of the Effective Date on all parties in interest, including the Debtor, the Bondholders, and all Holders of Claims.

5. The failure specifically to identify or refer to any particular provision of the Plan or any other agreement in this Confirmation Order shall not diminish or impair the effectiveness of such provision, it being the intent of this Court that the Plan and all other agreements approved by this Confirmation Order are **APPROVED** in their entirety.

B. Amended Defined Terms Under Section 1.02 of the Plan

6. For all purposes under the Plan and this Order, the following definitions in Section 1.02 of the Plan are hereby amended as follows (changes designated by italics):

- i. **Litigation Trust Assets** means *the Contributed Causes of Action*, the Contributed Causes of Action Proceeds, plus any Liquidating Trust Contribution Amount remaining after satisfaction of the reasonable fees and expenses of the Litigation Trust, the Litigation Trustee, and any Litigation Trustee Professionals.
- ii. **Released Parties** means, collectively and individually, the Debtor, the Special Resident Committee, the Creditors' Committee, the DIP Lender, the Bond Trustee, the Master Trustee, and the Bondholders, and each of their respective Related Persons; provided, however, that notwithstanding the foregoing, or the definition of Related Persons, SQLC, Seniority and the officers, directors and employees of SQLC and Seniority acting as officers, directors and managers of the Debtor, *and any Person claiming by or through SQLC, Seniority and the officers, directors, and employees of SQLC and Seniority acting as officers, directors, and managers of the Debtor (including, but not limited to, American International Group, Inc., XL Insurance America Inc., Lloyd's of London)*, are expressly excluded from the definition of Released Parties.
- iii. **SQLC Causes of Action** means ~~Retained~~ Causes of Action against SQLC, Seniority, *and/or any of their respective Related Persons (including all of The Buckingham's directors and officers prior to the Disaffiliation, including but not limited to Stan Waterhouse, Scott Collier, Bernie Frances, David Gobble, Joseph Friedman, and Joe Anderson; provided, that, such Person is not expressly released under the Plan as a Released Party)*, insurers, including American International Group, Inc., XL Insurance America Inc., Lloyd's of London, and any Person claiming by or through any of them arising out of SQLC being the former sole member of the Debtor and Seniority's operation of the Facility prior to June 7, 2019, and which shall be transferred to the Litigation Trust *automatically on the Effective Date*.

C. Modifications to the Plan

7. The amendments set forth in Section B, paragraph 6 of this Order ("Amended Defined Terms Under Section 1.02 of the Plan") constitute technical changes and do not materially adversely affect or change the treatment of any Claims. Accordingly, pursuant to Bankruptcy Rule 3019, such amendments do not require additional disclosure under section 1125 of the Bankruptcy Code or re-solicitation of votes under section 1126 of the Bankruptcy Code, nor do they require that holders of Claims be afforded an opportunity to change previously cast acceptances or rejections of the Plan, thereby satisfying section 1127 of the Bankruptcy Code.

D. Objections Overruled

8. To the extent that any objections (including any reservations or rights or statements contained therein) to Confirmation of the Plan have been withdrawn, waived, or settled before entry of this Confirmation Order, are not cured by the relief granted in this Confirmation Order, or have not been otherwise resolved as stated on the record at the Confirmation Hearing, all such objections (including any reservations of rights contained therein) are waived.

E. Findings of Fact and Conclusions of Law

9. The findings of fact and conclusions of law set forth in this Confirmation Order constitute finding of fact and conclusions of law in accordance with Bankruptcy Rule 7052, made applicable to this proceeding by Bankruptcy Rule 9014. All findings of fact and conclusions of law announced by this Court at the Confirmation Hearing, including the Confirmation ruling, are hereby incorporated into this Confirmation Order. To the extent that any of the following constitutes findings of fact or conclusions of law, they are hereby adopted as such. To the extent any finding of fact or conclusion of law set forth in this Confirmation Order (including any findings of fact or conclusions of law announced by the Court at the Confirmation Hearing and incorporated herein) constitute an order of this Court, it is hereby adopted as such.

F. Incorporation by Reference

10. The Plan, Plan Supplement and each of their provisions, terms, and conditions, and all documents and agreements related thereto, once finalized and executed, including the 2021 Bond Documents, are an integral part of this Confirmation Order and are incorporated by reference as if set forth herein. The terms of the Plan, the Plan Supplement, and all exhibits thereto, this Confirmation Order, and all other relevant and necessary documents shall be, on and after the

Effective Date, binding in all respects upon, and shall insure to the benefit of, the Reorganized Debtor, the Debtor, and its Estate and its creditors, and its successors and assigns, any affected third parties, all Holders of Claims, whether known or unknown, against the Debtor, including all contract counter-parties, borrowers, leaseholders, governmental units, and any trustees, examiners, administrators, responsible officers, estate representatives, or similar entities for the Debtor, if any, subsequently appointed in this Case or upon a conversion to chapter 7 under the Bankruptcy Code and its successors and assigns. The failure to include or refer to any particular article, section, or provision of the Plan, the Plan Supplement, any related document, agreement, or exhibit does not impair the effectiveness of that article, section, or provision, it being the intent of this Court that the Plan, Plan Supplement, and any related document, agreement, or exhibit, including the 2021 Bond Documents, are approved in their entirety.

G. Binding Nature of Plan Terms

11. Notwithstanding any otherwise applicable law, from and after the entry of this Confirmation Order, the terms of the Plan and this Confirmation Order, including the compromises, releases, waivers, discharges, and injunctions described in the Plan and Confirmation Order, shall be deemed binding upon (a) the Debtor; (b) any and all Holders of Claims (irrespective of whether such Claims are Impaired under the Plan or whether the holders of such Claims accepted, rejected or are presumed to have accepted or deemed to have rejected the Plan); (c) any and all parties to Executory Contracts with the Debtor; and (d) the respective heirs, executors, administrators, successors and/or assigns, if any, of any of the foregoing, to the extent set forth in the Plan.

H. Solicitation/Offer of New Securities

12. The solicitation of votes on the Plan complied with the Disclosure Statement Order, was appropriate and satisfactory based upon the circumstances of this Case and was in compliance with the provisions of the Bankruptcy Code, the Bankruptcy Rules, the Local Rules, and applicable nonbankruptcy law.

13. The Plan contemplates that the Issuer will issue the Series 2021A Bonds and issue new Series 2021B Bonds in exchange for the Secured Bonds. Such solicitation and exchange by the Issuer are exempt from the registration requirements of the Securities Act of 1933 (as now in effect or hereafter amended) pursuant to section 3(a)(2) thereof and are exempt from qualification under the state securities or “blue sky” laws of every state. Section 3(a)(2) exempts from registration under the Securities Act “any securities issued . . . by any State of the United States . . . or by any public instrumentality of one or more States or territories . . .” 15 U.S.C. § 77(c). The Issuer is a public instrumentality of the State of Texas.

I. Plan Classification Controlling

14. The terms of the Plan shall solely govern the classification of Claims for purposes of the distributions to be made thereunder. The classifications set forth on the ballots tendered to or returned by the Holders of Claims in connection with voting on the Plan, and the amount of such Holders’ Claims set forth on the ballots: (a) were set forth thereon solely for purposes of voting to accept or reject the Plan; (b) do not necessarily represent, and in no event shall be deemed to modify or otherwise affect, the actual classification of Claims under the Plan for distribution purposes; (c) may not be relied upon by any Holder of a Claim as representing the actual classification of such Claim under the Plan for distribution purposes; and (d) shall not be binding on the Debtor except for voting purposes.

J. Plan Implementation

15. Pursuant to sections 1123(a)(5)(D) and 1142 of the Bankruptcy Code, on, or, unless specifically provided otherwise herein or in the Plan, before the Effective Date, or as soon thereafter as is reasonably practicable, the Reorganized Debtor may take all actions as may be necessary or appropriate to effect any transaction described in, approved by, contemplated by, or necessary to effectuate the Plan including (a) the execution and delivery of appropriate agreements or other documents, including the 2021 Bond Documents, documents of merger, consolidation, or reorganization, containing terms that are consistent with or reasonably necessary to implement the terms of the Plan and that satisfy the requirements of applicable law; (b) the execution and delivery of appropriate instruments of transfer, assignment, assumption, or delegation of any property, right, liability, duty, or obligation on terms consistent with the terms of the Plan; (c) the filing of appropriate certificates of incorporation, merger, or consolidation with the appropriate governmental authorities pursuant to applicable law, if necessary; and (d) all other actions, including the making of filings or recordings in connection with the Plan, that the Reorganized Debtor determines are necessary or appropriate and that are not inconsistent with the Plan. All actions authorized to be taken pursuant to the Plan shall be effective on, before, or after the Effective Date pursuant to this Confirmation Order, without further application to, or order of this Court.

16. All actions taken or caused to be taken consistent with the terms of this Confirmation Order and the Plan shall be deemed to have been authorized and approved by this Court without further approval, act, or action under any applicable law, order, rule, or regulation. To the extent that, under applicable nonbankruptcy law, any of the foregoing actions would otherwise require the consent or approval of the directors of the Debtor or Reorganized Debtor,

this Confirmation Order shall, pursuant to section 1142 of the Bankruptcy Code, constitute such consent or approval, and such actions are deemed to have been taken by unanimous action of the directors of the Debtor or Reorganized Debtor, as applicable.

17. This Confirmation Order shall constitute all approvals and consents required, if any, by the laws, rules, and regulations of all states and any other governmental authority with respect to the implementation or consummation of the Plan and any documents, instruments, or agreements, and any amendments or modifications thereto, and any other acts and transactions referred to in or contemplated by the Plan, the Plan Supplement, the Disclosure Statement, and any other documents, instruments, securities, or agreements, including, without limitation, the 2021 Bond Documents, and any amendments or modifications thereto. The Debtor and/or Reorganized Debtor, as applicable, are authorized to take any and all actions they determine are necessary or appropriate to comply with the 2021 Bond Documents.

K. Vesting of Assets in the Reorganized Debtor

18. Without any further action by this Court or any party, on the Effective Date, and except as otherwise set forth herein or in the Plan, or any agreement, instrument, or other document incorporated therein (including the Liens and security interests granted under the 2021 Bond Documents), on the Effective Date, all property in the Estate (excluding Contributed Causes of Action), and any property acquired by the Debtor under the Plan shall vest in the Reorganized Debtor pursuant to section 1141(b) of the Bankruptcy Code, free and clear of all Liens, Claims, charges, or other encumbrances. On and after the Effective Date, except as otherwise provided in the Plan, the Reorganized Debtor may operate its business and may use, acquire, or dispose of property and compromise or settle any Claims without supervision or approval by this Court and consistent with the provisions of the Plan subject to the terms and conditions of the 2021 Bond

Documents. The Reorganized Debtor shall operate without any restrictions of the Bankruptcy Code or the Bankruptcy Rules.

L. Satisfaction of Claims

19. To the fullest extent provided under section 1141(d) of the Bankruptcy Code, and except as otherwise specifically provided herein or in the Plan (including under the 2021 Bond Documents), the rights afforded in the Plan and the treatment of all Claims therein shall be in exchange for and in complete satisfaction, discharge, and release of all Claims of any nature whatsoever against the Debtor, the Reorganized Debtor or its Estate, Assets, properties, or interests in real or personal property. The treatment set forth in the Plan is in full and complete satisfaction of the legal, contractual, and equitable rights that each Person holding a Claim may have in or against the Debtor, the Reorganized Debtor or the Debtor's Estate. This treatment supersedes and replaces any agreements or rights that any Person may have in or against the Debtor, the Reorganized Debtor, the Estate, or their respective property.

20. Except as otherwise provided in the Plan or herein, including obligations relating to the 2021 Bond Documents, on the Effective Date, all Claims against the Debtor shall be satisfied and released in full. Neither the Debtor nor its Affiliates, shall be responsible for any pre-Effective Date obligations of the Debtor, except those expressly assumed by the Debtor. Except as otherwise provided in the Plan and herein, all Persons and Entities shall be precluded and forever barred from asserting against the Debtor and its Affiliates, its successors or assigns, or its Estate, Assets, properties, or interest in property, any event, occurrence, condition, thing, or other or further Claims or Causes of Action based upon any act, omission, transaction, or other activity of any kind or nature that occurred or came into existence before the Effective Date, whether or not the facts of or legal bases therefore were known or existed before the Effective Date.

M. Cancellation of Existing Secured Claims

21. In accordance with Section 6.10 of the Plan, upon the Effective Date, except to the extent otherwise specifically provided in the Plan and in exchange for the consideration under the Plan, including, but not limited to the receipt of the 2021 Bonds, all notes, instruments, certificates, and other documents evidencing the Secured Bonds shall be cancelled and the obligations of the Debtor or the Reorganized Debtor thereunder or in any way related thereto shall be discharged and the Trustee shall be automatically and fully discharged from all duties and obligations thereunder. All existing security interests and/or Liens and/or any other Secured Claims related to the Secured Bonds shall also be automatically released, discharged, terminated, and of no further force and effect as of the Effective Date in consideration of the provisions of the Plan, including but not limited to the 2021 Bond Documents. Notwithstanding the foregoing, following confirmation or the occurrence of the Effective Date, any credit document or agreement that governs the rights of any Holder of a Claim related to the Secured Bonds shall continue in effect solely for purposes of (a) allowing Holders of such Allowed Claims to receive distributions under the Plan; (b) allowing and preserving the rights of the Trustee, agents or representative of Holders of such Claims to make Distributions on account of such Allowed Claims, as provided in the Plan; (c) preserving all exculpations under the Plan; (d) allowing the Trustee to enforce any rights and obligations (except against the Debtor or the Reorganized Debtor) owed to it under the Master Trust Indenture, the Bond Indentures, the Loan Agreements, the Plan or this Confirmation Order, including the right of the Trustee to be compensated for fees and reimbursed for expenses, including expenses of its professionals, to assert its charging lien, to enforce its indemnity and other rights and protections with respect to and pursuant to such documents; and (e) permitting the Trustee to appear and be heard in this Case, or in any proceeding in this Court or any other court.

22. In accordance with Section 13.08 of the Plan, except as otherwise provided in the Plan, the 2021 Bond Documents or in any contract, instrument, release, or other agreement or document created pursuant to the Plan, on the Effective Date and concurrently with the applicable distributions made pursuant to the Plan and, in the case of a Secured Claim, satisfaction in full of the portion of the Secured Claim that is Allowed as of the Effective Date, all mortgages, deeds of trust, Liens, pledges, or other security interests against any property of the Debtor's Estate shall be fully released, and all of the right, title, and interest of any Holder of such mortgages, deeds of trust, Liens, pledges, or other security interests shall revert to the Debtor and its successors and assigns.

N. Approval of the Restructuring Transaction

23. The Restructuring Transaction as set forth in Article 6.01 of the Plan, the Restructuring Term Sheet attached as Exhibit A to the Plan and the 2021 Bond Documents shall be, and hereby is, **APPROVED**. The Debtor, and/or Reorganized Debtor, as applicable, are authorized to take any action necessary or appropriate to carry out the Restructuring Transaction.

O. Application of Available Cash and Funding and Establishment of Reserves

24. The provisions governing Plan funding and the application of Available Cash as set forth in sections 6.01 and 6.02 of the Plan shall be, and hereby are, **APPROVED** in their entirety, and the Debtor, and/or Reorganized Debtor, as applicable, are authorized to take any action necessary or appropriate to fund the Plan and establish reserves as set forth in Article XI of the Plan.

P. Exchange of Securities and Issuance of 2021 Bonds

25. On the Effective Date, or as soon as reasonably practicable thereafter, the Series 2021A Bonds shall be issued and the outstanding Existing Bonds shall be exchanged for new

Series 2021B Bonds as set forth in Article 6.01 of the Plan, the Restructuring Term Sheet attached as Exhibit A to the Plan and the 2021 Bond Documents. Subject to the exchange as set forth in Article 6.01 of the Plan and the 2021 Bond Documents, the Existing Bonds will be cancelled on the Effective Date.

Q. Appointment of Litigation Trustee and Approval of Litigation Trust Agreement

26. The appointment of Allison D. Byman as the Litigation Trustee pursuant to the Plan and the Litigation Trust Agreement and the terms and conditions of the Litigation Trust Agreement is **APPROVED**.

27. On the Effective Date, the Debtor and the Estate shall preserve, irrevocably transfer, and assign only the Contributed Causes of Action to the Litigation Trust. On or as soon as practicable after the Effective Date, the Reorganized Debtor shall fund the Litigation Trust Contribution Amount from Available Cash. The Litigation Trustee may be able to supplement this initial funding through settlement payments and the collection of judgments or by retaining contingent fee counsel. For the avoidance of doubt, only the Contributed Causes of Action shall be transferred to the Litigation Trust and the Litigation Trustee shall have no power or authority to bring any other Cause of Action, including, without limitation, any action against any of the Released Parties or any action in connection with the Greystone Claims.

R. Corporate Governance

28. On the Effective Date, or as soon as reasonably practicable thereafter, the Debtor or Reorganized Debtor, as applicable, shall amend the Governance Documents as necessary to effectuate the Plan in form and substance reasonably acceptable to the Bond Trustee: provided, however, that such amendments, if any, shall preserve the Resident Board Seat under the terms provided in section 6.07 of the Plan.

S. Exemption from Certain Transfer Taxes

29. Pursuant to, and to the fullest extent permitted by, section 1146(a) of the Bankruptcy Code, any issuance, transfer, or exchange of an Interest or transfer of property, in each case, pursuant to, in contemplation of, or in connection with the Plan will not be subject to any document recording tax, stamp tax, conveyance fee, intangibles or similar tax, mortgage tax, stamp act, real estate or personal property transfer tax, sale or use tax, mortgage recording tax, Uniform Commercial Code filing or recording fee, regulatory filing or recording fee, or other similar tax or governmental assessment, fee or charge, and upon entry of this Confirmation Order, the appropriate taxing authority, governmental officials or agents shall forgo the collection of any such tax or governmental assessment, fee or charge and accept for filing and recordation any of the foregoing instruments or other documents pursuant to such transfers of property without the payment of any such tax, or governmental assessment, fee or charge.

T. Payment of Professional Fee Claims

30. The Debtor shall pay all amounts owing to the Professionals for Allowed Professional Fee Claims at the times specified in the Plan, subject to the terms of Section 2.04 of the Plan.

31. Each Professional shall File with this Court its final fee application seeking final approval of all fees and expenses on or before sixty (60) days after the Effective Date or such other date as may be fixed by this Court.

U. Compromise and Settlement of Claims, Interests, and Controversies

32. Pursuant to section 1123 of the Bankruptcy Code and Bankruptcy Rule 9019 in consideration for the distributions and benefits provided pursuant to the Plan, the provisions of the Plan shall constitute a good faith compromise and settlement of all Claims and controversies

relation to the contractual, legal and subordination rights that a Holder of a Claim may have with respect to any Allowed Claim or any distribution to be made on account of such Allowed Claim. Each of the compromises or settlements provided for or embodied in the Plan and/or this Confirmation Order are **APPROVED**, and this Court's findings shall constitute its determination that such compromises and settlements are in the best interests of the Debtor, the Estate, Creditors, and other parties in interest, and are fair, equitable and reasonable.

V. Releases by the Debtor and Estate

33. The Debtor Releases in Section 13.03(1) of the Plan are **APPROVED**.

34. Pursuant to section 1123(b) of the Bankruptcy Code, and except as otherwise expressly provided in the Plan, and/or this Confirmation Order, for good and valuable consideration, including the service of the Released Parties to facilitate the expeditious formulation and implementation of the Plan and the Consummation of the Transactions contemplated by the Plan, on the Effective Date, for good and valuable consideration, to the fullest extent permissible under applicable law, the Debtor, on its own behalf and as representative of its Estate, and each of its respective Related Persons, shall, and shall be deemed to, completely and forever release, waive, void, and extinguish unconditionally, each and all of the Released Parties of and from any and all Claims, Causes of Action (including any Avoidance Actions), any and all other obligations, suits, judgments, damages, debts, rights, remedies, and liabilities of any nature whatsoever, and any and all interests or other rights of a Holder of an equity security or other ownership interest, whether liquidated or unliquidated, fixed or contingent, matured or unmatured, known or unknown, foreseen or unforeseen, then existing or thereafter arising, in law, equity or otherwise that are or may be based in whole or part on any act, omission, transaction, event or other circumstance taking place or existing on or before the Effective Date (including before the Petition

Date) in connection with or related to the Debtor, or its respective Assets, operations, finances, property and Estate, this Case or the negotiation, formulation or preparation of the Plan, the Disclosure Statement, any Plan Supplement or related agreements, instruments or other documents, the DIP Facility,⁶ the Disclosure Statement or the Transaction that may or could have been asserted by or on behalf of the Debtor, or its Estate; *provided, however*, that the Debtor, its Estate and their respective Related Persons shall not release the Greystone Claims. For the avoidance of doubt, Contributed Causes of Action shall not be released under the Plan, but shall be transferred to the Litigation Trust as set forth therein.

35. Entry of this Confirmation Order shall constitute this Court's approval, pursuant to, among other things, Bankruptcy Rule 9019, of the Debtor Releases, which includes by reference each of the related provisions and definitions contained in the Plan.

W. Releases by Third Parties

36. The Third Party Releases in Section 13.03(2) of the Plan are **APPROVED**.

37. Pursuant to section 1123(b) of the Bankruptcy Code, and except as otherwise expressly provided in the Plan, and/or this Confirmation Order, for good and valuable consideration, including the service of the Released Parties to facilitate the expeditious formulation and implementation of the Plan and the Consummation of the Transactions contemplated by the Plan, on the Effective Date, for good and valuable consideration, to the fullest extent permissible under applicable law, (a) each Released Party; and (b) each Person that (1) has held, currently holds or may hold a Claim or any other obligation, suit, judgment, damages, debt, right, remedy,

⁶ As defined in the *Final Order (1) Authorizing Debtor in Possession to Obtain Post-Petition Financing; (2) Authorizing Debtor in Possession to Use Cash Collateral; (3) Providing Adequate Protection; and (4) Granting Liens, Security Interests and Superpriority Claims* [Dkt. No. 238] (the "Final DIP Order").

Cause of Action or liability of any nature whatsoever; and (2) did not affirmatively opt-out of the Third Party Release on a timely submitted Ballot shall be deemed to completely and forever release, waive, void, and extinguish unconditionally each and all of the Released Parties of and from any and all Claims, any and all other obligations, suits, judgments, damages, debts, rights, remedies, Causes of Action and liabilities of any nature whatsoever (including, without limitation, those arising under the Bankruptcy Code), whether liquidated or unliquidated, fixed or contingent, matured or unmatured, known or unknown, foreseen or unforeseen, then existing or thereafter arising, in law, equity or otherwise that are or may be based in whole or part on any act, omission, transaction, event or other circumstance taking place or existing on or before the Effective Date (including before the Petition Date) in connection with or related to the Debtor, or its respective Assets, operations, finances, property and Estate, this Case, or the negotiation, formulation or preparation of the Plan, the Disclosure Statement, any Plan Supplement or related agreements, instruments or other documents, the DIP Facility, the Disclosure Statement or the Transaction. Notwithstanding the foregoing or any other provision herein, (a) no Released Party shall be released from any acts constituting criminal conduct, willful misconduct fraud, or gross negligence; (b) Contributed Causes of Action shall not be released; and (c) the Debtor, its Estate and their respective Related Persons shall not release the Greystone Claims.

38. Each Person that did not submit a Ballot affirmatively opting out of the Third Party Releases shall, and shall be deemed, to the fullest extent permitted by applicable law, to have specifically consented to the Third Party Releases.

39. Entry of this Confirmation Order shall constitute this Court's approval, pursuant to Bankruptcy Rule 9019, of the Third Party Releases, which includes by reference each of the related provisions and definitions contained in the Plan.

X. Injunction Related to Releases.

40. Section 13.03(3) of the Plan is **APPROVED**.

41. Except as provided in the Plan, including but not limited to the 2021 Bond Documents, and/or this Confirmation Order, as of the Effective Date, (i) all Persons that hold, have held, or may hold a Claim or any other obligation, suit, judgment, damages, debt, right, remedy, Causes of Action or liability of any nature whatsoever, relating to the Debtor or its Assets, property and/or Estate, that is released pursuant to the Plan, (ii) all other parties in interest, and (iii) each of the Related Persons of each of the foregoing entities, are, and shall be, permanently, forever and completely stayed, restrained, prohibited, barred and enjoined from taking any of the following actions, whether directly or indirectly, derivatively or otherwise, on account of or based on the subject matter of such released or enjoined Claims or other obligations, suits, judgments, damages, debts, rights, remedies, Causes of Action or liabilities: (i) commencing, conducting or continuing in any manner, directly or indirectly, any suit, action or other proceeding (including, without limitation, any judicial, arbitral, administrative or other proceeding) in any forum; (ii) enforcing, attaching (including, without limitation, any prejudgment attachment), collecting, or in any way seeking to recover any judgment, award, decree, or other Order; (iii) creating, perfecting or in any way enforcing in any matter, directly or indirectly, any Lien; (iv) commencing or continuing in any manner, in any place of any judicial, arbitration or administrative proceeding in any forum, that does not comply with or is inconsistent with the provisions of the Plan and/or this Confirmation Order.

Y. Exculpation

42. Section 13.04 of the Plan is **APPROVED**.

43. The Released Parties **SHALL NOT BE LIABLE FOR** any Cause of Action arising in connection with or out of the administration of the Case, the planning of the Case, the formulation, negotiation or implementation of the Plan, the good faith solicitation of acceptances of the Plan in accordance with Bankruptcy Code section 1125(e), pursuit of Confirmation of the Plan, the Consummation of the Plan, or the administration of the Plan or the Assets to be distributed under the Plan, except for gross negligence or willful misconduct as determined by a Final Order of this Court (or other court of competent jurisdiction). All Holders of Claims are enjoined from asserting or prosecuting any Claim or Cause of Action against any protected Person as to which such Released Party has been exculpated from liability pursuant to the preceding sentence.

Z. Permanent Injunction

44. Section 13.05 of the Plan is **APPROVED**.

45. As of the Effective Date, and except with respect to obligations relating to the 2021 Bond Documents, in each case whether or not: (i) a Proof of Claim based upon such debt, right, Claim is Filed or deemed Filed pursuant to Bankruptcy Code section 501; (ii) a Claim based upon such Claim, debt, right, or Interest is Allowed pursuant to Bankruptcy Code section 502; or (iii) the Holder of such a Claim has accepted the Plan, and in Order to, *inter alia*, preserve and promote the settlements contemplated by and provided for in the Plan, except as otherwise expressly provided in the Plan, and/or this Confirmation Order, all Persons and any Person claiming by or through them, which have held or asserted, which currently hold or assert or which may hold or assert any Claims or any other obligations, suits, judgments, damages, debts, rights, remedies, Causes of Action or liabilities of any nature whatsoever against any of the Released Parties based

upon, attributable to, arising out of or relating to any Claim against the Debtor, whenever and wherever arising or asserted, whether in the United States or anywhere else in the world, whether sounding in tort, contract, warranty or any other theory of law, equity or admiralty shall be, and shall be deemed to be, permanently stayed, restrained and enjoined from taking any action against any of the Released Parties, and/or their successors and assigns, for the purpose of directly or indirectly collecting, recovering or receiving any payment or recovery with respect to any such Claims or other obligations, suits, judgments, damages, debts, rights, remedies, Causes of Action or liabilities arising before the Effective Date (including before the Petition Date), including, but not limited to:

- (a) commencing or continuing in any manner any action or other proceeding of any kind with respect to any such Claims or other obligations, suits, judgments, damages, debts, rights, remedies, Causes of Action or liabilities against any of the Released Parties or the Assets or property of any Released Party;
- (b) enforcing, attaching, collecting or recovering, by any manner or means, any judgment, award, decree, or Order against any of the Released Parties or the Assets or property of any Released Party with respect to any such Claims or other obligations, suits, judgments, damages, debts, rights, remedies, Causes of Action or liabilities;
- (c) creating, perfecting, or enforcing any Lien of any kind against any of the Released Parties or the Assets or property of any Released Party with respect to any such Claims or other obligations, suits, judgments, damages, debts, rights, remedies, Causes of Action or liabilities;
- (d) except as otherwise expressly provided in the Plan, and/or this Confirmation Order, asserting, implementing, or effectuating any setoff, right of subrogation, indemnity, contribution, or recoupment of any kind against any obligation due to any of the Released Parties or against the property of any Released Party with respect to any such Claims or other obligations, suits, judgments, damages, debts, rights, remedies, Causes of Action, or liabilities; and
- (e) taking any act, in any manner, in any place whatsoever, that does not conform to, or comply with, the provisions of the Plan, the Plan Supplement, and/ or this Confirmation Order relating to such Claims or other obligations, suits, judgments, damages, debts, rights, remedies, Causes of Action or liabilities.

AA. Treatment of Executory Contracts and Unexpired Leases

46. The provisions governing the treatment of Executory Contracts and Unexpired Leases set forth in Article VIII of the Plan shall be, and hereby are, **APPROVED** in their entirety.

47. The Executory Contracts that are to be assumed pursuant to the Plan, including the Current Residence Agreements of the Current Residents living in the Facility on the Effective Date, shall be, and hereby are, **APPROVED** in their entirety and unless otherwise provided herein, such assumptions shall be effective as of the Effective Date. Any defaults under an Executory Contract and Unexpired Lease shall be satisfied by payment of the amount reflected on the attached **Exhibit B** in Cash on the Effective Date or on such other terms as the parties to such Executory Contracts or Unexpired Leases may otherwise agree. The Debtor and/or Reorganized Debtor may amend or supplement the Executory Contracts and Unexpired Leases and the Cure Claims associated therewith through and including the Effective Date.

48. Except as otherwise provided in the Plan, any rights or arrangements necessary or useful to the administration of the Estate but not otherwise addressed as a Claim and other executory contracts not assumable under Bankruptcy Code section 365(c), shall, in the absence of any other treatment under the Plan, or this Confirmation Order, be passed through the Case unaltered and unaffected for the benefit of the Reorganized Debtor and the counterparty.

BB. Provisions Governing Distributions

49. The distribution provisions of Article VII of the Plan shall be, and hereby are, **APPROVED** in their entirety. The Reorganized Debtor or the Litigation Trustee, as applicable, shall make all distributions to Holders of Allowed Claims in accordance with the terms of the Plan and the Litigation Trust Agreement, as applicable.

CC. Disputed, Contingent, and Unliquidated Claims

50. The procedures for resolving disputed, contingent, and unliquidated claims set forth in Article IX of the Plan shall be, and hereby are, **APPROVED** in their entirety.

51. Except as expressly provided in the Plan or any order of this Court entered on or before the Effective Date, no Claim shall be deemed Allowed unless and until such Claim is deemed Allowed under the Bankruptcy Code, under the Plan, or this Court enters a Final Order in this Case allowing such Claim under section 502 of the Bankruptcy Code. Except as expressly provided in any order entered by this Court before the Effective Date or as set forth in the Plan, the Reorganized Debtor or the Litigation Trustee will have and retain any and all rights and defenses the Debtor had with respect to any Claim as of the Petition Date, as applicable.

52. To the extent that a Disputed Claim ultimately becomes an Allowed Claim, distributions (if any) shall be made to the Holder of such Allowed Claim in accordance with the provisions of the Plan.

DD. Notice of Entry of Confirmation Order and Effective Date

53. In accordance with Bankruptcy Rules 2002 and 3020(c), the Debtor shall promptly serve this Order⁷ on all parties listed on the Debtor's Master Service List⁸ established in this Case. As soon as practicable after the entry of this Order, the Debtor shall make a copy of this Order available online at <https://cases.stretto.com/TheBuckingham>.

54. Within seven (7) Business Days after the occurrence of the Effective Date, the Debtor shall file with this Court and serve notice of entry of this Order and the Effective Date, substantially in the form attached as **Exhibit C** (the "Confirmation and Effective Date Notice") on

⁷ Excluding the exhibits.

⁸ As defined in the SVB Procedures.

all parties that received the Confirmation Hearing Notice (all such parties, collectively, the “Confirmation Notice Parties”). As soon as practicable after the occurrence of the Effective Date, the Debtor shall make a copy of the Confirmation and Effective Date Notice available online at <https://cases.stretto.com/TheBuckingham>.

55. Service of this Order and the Confirmation and Effective Date Notice as set forth herein shall serve as notice of the Administrative Bar Date as set forth herein and Article II of the Plan and shall be good and sufficient notice under the particular circumstances in this Case and in accordance with the requirements of Bankruptcy Rules 2002 and 3020(c), and no further notice is or will be necessary.

EE. Bar Date for Administrative Claims

56. The provisions governing the treatment of Allowed Administrative Claims set forth in Article II of the Plan are **APPROVED** in their entirety.

57. Except as otherwise provided in the Plan, unless previously Filed or paid, requests for payment of Administrative Claims (including substantial contribution claims) must be Filed no later than thirty (30) days after the Effective Date. Any request for payment of Administrative Claims (including substantial contribution claims) that is not timely Filed by the Administrative Claims Bar Date shall be forever Disallowed and barred, and holders of such Claim will not be able to assert such Claim in any manner against the Debtor, the Debtor’s Estate, the Reorganized Debtor, or any of their representatives.

FF. Professional Fee Claims

58. The provisions governing Professional Fee Claims set forth in Section 2.04 of the Plan are **APPROVED** in their entirety.

GG. Rejection Damage Claims

59. Unless otherwise provided by Bankruptcy Court Order, except for Claims otherwise Allowed under the Plan, any Claim arising from the Debtor's rejection of an executory contract and/or unexpired lease must be Filed and served on the Debtor or Reorganized Debtor, as applicable, no later than thirty (30) days after the later of the Effective Date or the date a Final Order is entered granting the rejection. Any Claim arising from the rejection of the Debtor's executory contracts or unexpired leases that are not timely Filed and served shall be Disallowed automatically, forever barred from assertion, and shall not be enforceable against the Debtor, the Reorganized Debtor, the Estate, or its successors and assigns, without the need for any objection by any Person or further notice to or action, Order, or approval of this Court, and any Claim arising out of the rejection of the executory contract or unexpired lease shall be deemed fully satisfied, released, and discharged, notwithstanding anything in the Bankruptcy Schedules or a Proof of Claim to the contrary.

60. All Allowed Claims arising from the rejection of the Debtor's Additional Agreements shall be classified as Class 7 General Unsecured Claims and shall be treated in accordance with the provisions of the Plan; *provided however*, if the Holder of an Allowed Claim for rejection damages has an unavoidable security interest in any Collateral to secure obligations under such rejected executory contract or unexpired lease, the Allowed Claim for rejection damages shall be treated as Miscellaneous Secured Claim to the extent of the value of such Holder's interest in the Collateral, with the deficiency, if any, treated as a Class 7 General Unsecured Claim.

HH. Preservation of Causes of Action

61. In accordance with section 1123(b) of the Bankruptcy Code but subject to the releases, exculpation and injunctions set forth in Article XIII of the Plan, the provisions of Section 6.05 of the Plan are hereby **APPROVED** in their entirety. Unless any Cause of Action is expressly waived, relinquished, exculpated, released, compromised or settled in the Plan or a Bankruptcy Court Order, the Debtor or the Litigation Trustee, solely with respect to the Contributed Causes of Action, expressly reserve all of their respective Causes of Actions, for later adjudication, and no preclusion doctrine, including the doctrines of res judicata, collateral estoppel, issue preclusion, claim preclusion, estoppel (judicial, equitable or otherwise) or laches, shall apply to such actions upon, after or as a consequence of Confirmation or the Effective Date.

62. Except as otherwise provided in the Plan and except solely for Contributed Causes of Action, which shall be transferred to the Litigation Trustee, on the Effective Date, all of the Debtor's rights to commence and pursue, as appropriate, any and all Causes of Action, whether arising before or after the Petition Date, in any court or other tribunal in an adversary proceeding or contested matter filed in the Case, will be transferred to the Reorganized Debtor in accordance with the Plan. The Reorganized Debtor may pursue such Causes of Action, as appropriate in accordance with the best interest of the Reorganized Debtor. **No Entity may rely on the absence of a specific reference in the Plan, the Plan Supplement, or the Disclosure Statement of any Cause of Action against it as any indication that the Debtor will not pursue any and all available Causes of Action against it. The Debtor and the Reorganized Debtor expressly reserve all rights to prosecute any and all Causes of Action against any Person or Entity.**

II. Conflicts

63. To the extent that any provision of the Disclosure Statement, or any order entered before Confirmation (for avoidance of doubt, not including this Confirmation Order) referenced in the Plan (or any exhibits, appendices, supplements, or amendments to any of the foregoing), conflict with or are in any way inconsistent with any provision of the Plan, the Plan shall govern and control. To the extent that any provision of the Plan conflicts with or is in any way inconsistent with any provision of this Confirmation Order, this Confirmation Order shall govern and control. To the extent any provision of the Plan or Confirmation Order conflicts with or is in any way inconsistent with any provision of the 2021 Bond Documents, the 2021 Bond Documents shall control.

JJ. Reservation of Rights of Governmental Units

64. Nothing in this Confirmation Order or the Plan discharges, releases, precludes, or enjoins any liability to a Governmental Unit on the part of any non-debtor. Nothing in this Confirmation Order or the Plan shall affect any valid right of setoff or recoupment of any Governmental Unit, but the Debtor, the Reorganized Debtor, or their successors or assigns, shall retain any right to exhaust administrative remedies to contest the dollar amount of any setoff or recoupment(s) effectuated.

KK. Reservation of Rights of the Debtor

65. None of the filing of the Plan, any statement or provision contained in the Plan, or the taking of any action by any Debtor with respect to the Plan, the Disclosure Statement, or the Plan Supplement shall be or shall be deemed to be an admission or waiver of any rights of the Debtor with respect to the Holders of Claims and Interests or as to any treatment or classification of any contract or lease before the Effective Date.

LL. Settlement and Compromise of the State Court Litigation and the Dunn Plaintiffs' Claims

66. In full and complete settlement and compromise of the State Court Litigation, the Dunn Counterclaim and the Dunn Plaintiff's Claims: each of the Dunn Plaintiffs (i) will resume paying its respective Monthly Service Fees as and when they come due, beginning on the first day of the month following the Effective Date of the Plan; (ii) will not seek termination of its respective Residence Agreement for at least six (6) months after the Effective Date; (iii) does not object to the Plan; (iv) waives any and all claims and Causes of Action against the Debtor; (v) withdraws its respective Dunn Plaintiff Claim, but shall retain its respective Current Resident Claim; (vi) will not receive any monetary payments from the Debtor's Estate, provided that the Debtor assumes all ongoing obligations under each of the Dunn Plaintiffs' respective Residence Agreement; (vii) will refrain from discussing or further disclosing the subject matter of the State Court Litigation, including the allegations asserted in the State Court Litigation and the terms and conditions of this settlement, with anyone, and in the event of any inquiry from any third party, the Dunn Plaintiffs may respond only that the dispute has been resolved by mutual agreement; (viii) will not seek any amounts under section 503 of the Bankruptcy Code and neither will counsel for the Dunn Plaintiffs; and (ix) will cooperate with the Debtor to file any necessary documents dismissing the Debtor from State Court Litigation. For the avoidance of doubt, and notwithstanding anything in the Plan or this Order to the contrary, and without the need to exercise any opt-out form, the Dunn Plaintiffs are not waiving or releasing any claims against any third parties; provided, further, that the Dunn Plaintiffs may continue to pursue claims against the non-Debtor defendants in the State Court Litigation following the Effective Date. In exchange for the foregoing, the Debtor (i) hereby assumes each of the Dunn Plaintiffs' Residence Agreements with a \$0 cure; and (ii) waives all

claims against the Dunn Plaintiffs that arose prior to the Effective Date, including, but not limited to, any amounts arising under the Dunn Plaintiffs' Residence Agreements.

MM. Term of Injunctions or Stays

67. Unless otherwise provided in the Plan or in this Confirmation Order, all injunctions or stays in effect in this Case pursuant to sections 105 or 362 of the Bankruptcy Code or any order of this Court and extant on the Confirmation Date (excluding any injunctions or stays contained in the Plan or this Confirmation Order) shall remain in full force and effect until the Effective Date. All injunctions or stays contained in the Plan or this Confirmation Order shall remain in full force and effect in accordance with their terms.

NN. Nonseverability of Plan Provisions upon Confirmation

68. This Confirmation Order shall constitute a judicial determination and shall provide that each term and provision of the Plan, as it may have been altered or interpreted in accordance with the foregoing, is (a) valid and enforceable pursuant to its terms; (b) integral to the Plan and may not be deleted or modified without the Debtor' consent; and (c) nonseverable and mutually dependent.

OO. Authorization to Consummate

69. The Debtor is authorized to consummate the Plan at any time after the entry of this Confirmation Order subject to satisfaction or waiver of the conditions precedent to the Effective Date set forth in Article X of the Plan.

PP. Effect of Non-Occurrence of Conditions to the Effective Date

70. If the Consummation of the Plan does not occur, the Plan shall be null and void in all respects and nothing contained in the Plan or the Disclosure Statement shall: (a) constitute a waiver or release of any claims by or Claims against the Debtor; (b) prejudice in any manner the

rights of the Debtor, any Holders, or any other Entity; or (c) constitute an admission, acknowledgment, offer, or undertaking by the Debtor, any Holders or any other Entity in any respect.

QQ. Retention of Jurisdiction

71. Notwithstanding entry of this Confirmation Order and the occurrence of the Effective Date, this Court shall, after the Effective Date, retain jurisdiction over this Case and all Persons with respect to all matters related to this Case, the Debtor, and the Plan to the fullest extent permitted by law, including, without limitation, jurisdiction over those matters set forth in Article XII of the Plan, provided that the parties' rights and obligations relating to the 2021 Bond Documents shall not be subject to the jurisdiction of this Court.

RR. Reporting and Payment of Statutory Fees

72. After the Effective Date of the Plan, neither the Debtor nor the Reorganized Debtor shall have any obligation to file with this Court, serve on any parties, or otherwise provide any other report that the Debtor or the Reorganized Debtor, as applicable, were obligated to provide under the Bankruptcy Code or a Bankruptcy Court order, including (a) any reports to any parties otherwise required under "first" or "second" day orders entered in this Case; (b) monthly operating reports (even for those periods for which a monthly operating report was not Filed before the Effective Date); (c) ordinary course professional reports; and (d) monthly or quarterly reports for Professionals; *provided, however*, that, after the Effective Date the Debtor or the Reorganized Debtor, as applicable, will comply with the U.S. Trustee's quarterly reporting requirements in a form reasonably acceptable to the U.S. Trustee.

73. All fees due and payable pursuant to section 1930 of Title 28 of the United States Code before the Effective Date with respect to the Debtor shall be paid by the Debtor. On and

after the Effective Date, the Reorganized Debtor shall pay any and all such fees when due and payable until the earliest of the Debtor's chapter 11 Case being closed, dismissed, or converted to a case under chapter 7 of the Bankruptcy Code.

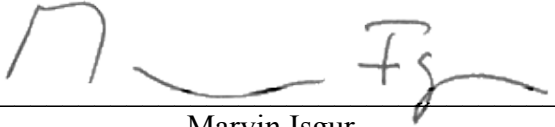
SS. Final Order

74. This Confirmation Order is a Final Order and the period in which an appeal or any motion seeking to stay or alter the effectiveness hereof must be filed shall commence upon entry hereof.

TT. Waiver of Stay; Binding Effect

75. Any applicable stay of effectiveness provided in Bankruptcy Rules 3020(e), 6004(h), and 7062, Federal Rule of Civil Procedure 62(a), or otherwise, shall not apply to this Confirmation Order and (a) the Confirmation Order shall be effective and enforceable immediately upon entry; and (b) subject to the occurrence of the Effective Date, the provisions of the Plan shall be immediately effective and enforceable and deemed binding upon any Holder of a Claim against the Debtor, and such Holder's respective successors and assigns (whether or not the Claim of such Holder is Impaired under the Plan, whether or not such Holder has accepted the Plan, and whether or not such Holder is entitled to a distribution under the Plan), all Entities that are party, or subject, to the settlements, compromises, releases, discharges, and injunctions described in the Plan, each Entity acquiring property under the Plan, and any and all non-Debtor counterparties to executory contracts, unexpired leases, and any other prepetition agreements.

Signed: November 09, 2021


Marvin Isgur
United States Bankruptcy Judge

UNITED STATES BANKRUPTCY JUDGE

First Amended Chapter 11 Plan of Reorganization (Solicitation Version)

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE SOUTHERN DISTRICT OF TEXAS
HOUSTON DIVISION**

IN RE:	§	
	§	CASE NO. 21-32155 (MI)
BUCKINGHAM SENIOR LIVING COMMUNITY, INC.¹	§	
	§	CHAPTER 11
Debtor.	§	
	§	
	§	

FIRST AMENDED CHAPTER 11 PLAN OF REORGANIZATION

DATED: September 19, 2021

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COUNSEL FOR DEBTOR

¹ The last four digits of the Debtor's federal tax identification number are: 7872. The location of the Debtor's principal place of business and the service address for the Debtor is: 8580 Woodway Drive Houston, Texas 77063.

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INTRODUCTION²

On June 25, 2021 (the “Petition Date”) Buckingham Senior Living Community, Inc. (“The Buckingham” or the “Debtor”) filed for chapter 11 bankruptcy protection. On the same date, the Debtor filed its *Chapter 11 Plan of Reorganization* [Dkt. No. 21] (the “Original Plan”) and *Disclosure Statement in Support of Chapter 11 Plan of Reorganization* [Dkt. No. 22]. Subsequently, the Debtor, the Trustee (the Debtor’s senior secured lenders), and the Consenting Holders engaged in negotiations with the Creditors’ Committee regarding the Creditors’ Committee’s requested modifications to the Original Plan, which resulted in the Debtor’s filing of this *First Amended Chapter 11 Plan of Reorganization*. The Debtor hereby proposes the following *First Amended Chapter 11 Plan of Reorganization*, which is supported by the Creditors’ Committee and the Consenting Holders and which resolves outstanding Claims against the Debtor, except as otherwise provided herein. The Debtor is the proponent of the Plan within the meaning of section 1129 of the Bankruptcy Code.

Reference is made to the *First Amended Disclosure Statement* for a discussion of the Debtor’s history, business, historical financial information, Assets, and for a summary and description of the Plan and certain related matters. No materials other than the Disclosure Statement, the Plan and any exhibits and schedules attached hereto or thereto have been authorized by the Debtor for use in soliciting acceptances or rejections of the Plan.

The Plan, in addition to addressing Claims as set forth below, implements the Restructuring Transaction (as defined herein), which provides for, among other things, (a) the issuance of new Series 2021A Bonds in the principal amount of \$28.5 million; and (b) an exchange of the outstanding Secured Bonds in the aggregate principal amount of \$140,340,000 for new Series 2021B Bonds (the “Proposed Exchange”). The Contributed Causes of Action shall be transferred to the Litigation Trust, and all other Assets of the Estate will vest in the Reorganized Debtor as provided herein and in the Restructuring Term Sheet attached as Exhibit A. Importantly, the Plan provides the ability for the payment of all Resident refund obligations in full, as well as continued, uninterrupted care of the Residents throughout the bankruptcy process and thereafter.

Under the Plan, all Allowed Administrative Claims, the DIP Facility Claims, Allowed Priority Tax Claims, Allowed Non-Priority Tax Claims, Allowed Miscellaneous Secured Claims, and Allowed Trade Claims shall be paid or satisfied in full on or promptly after the Effective Date. Current Resident Claims shall be paid in the ordinary course of business as they become due as provided under the applicable Residence Agreement and shall otherwise be unimpaired. Pre-Effective Date Refund Queue Claims shall be paid in full at the times and in the amounts set forth herein. Trade Claims will be paid in full on or promptly after the Effective Date. Allowed General Unsecured Claims shall receive their Pro Rata share of any Litigation Trust Distributable Cash. On the Effective Date, the Restructuring Transaction shall be consummated, as set out more fully in the 2021 Bond Documents, and as described in the Restructuring Term Sheet.

ALL HOLDERS OF CLAIMS ARE ENCOURAGED TO CAREFULLY READ THE PLAN AND THE DISCLOSURE STATEMENT AND CONFER WITH THEIR LEGAL AND

² Capitalized terms not defined in this Introduction shall have the meanings ascribed to such terms below.

ACCOUNTING PROFESSIONALS BEFORE VOTING ON THE PLAN.

ARTICLE I

DEFINED TERMS, RULES OF CONSTRUCTION AND INTERPRETATION, AND COMPUTATION OF TIME

Section 1.01 Scope of Defined Terms; Rules of Construction and Interpretation

For purposes of the Plan, except as expressly defined elsewhere in the Plan or unless the context otherwise requires, all capitalized terms used herein shall have the meanings ascribed to them in Article I of the Plan. Any term used but not defined herein that is defined in the Bankruptcy Code or the Bankruptcy Rules, as the case may be, shall have the meaning ascribed in the Bankruptcy Code or the Bankruptcy Rules. Whenever the context requires, such terms shall include the plural as well as the singular. The masculine gender shall include the feminine, and the feminine gender shall include the masculine. The terms “and” and “or,” as used herein, shall be construed both conjunctively and disjunctively, and each shall include the other whenever applicable.

For purposes of the Plan, (a) except as provided in Article XIII, any reference in the Plan to a contract, instrument, release, indenture, or other agreement or document being in a particular form or on particular terms and conditions means that such document shall be substantially in such form or substantially on such terms and conditions; (b) except as provided in Article XIII, any reference in the Plan to an existing document or exhibit Filed or to be Filed means such document or Exhibit as it may have been or may be amended, modified, or supplemented as permitted herein; (c) unless otherwise specified, all references in the Plan to Sections, Articles, Schedules, and Exhibits are references to Sections, Articles, Schedules, and Exhibits of or to the Plan; (d) the words “herein,” “hereto,” and “hereof” refer to the Plan in its entirety rather than to a particular portion of the Plan; (e) captions and headings to Articles and Sections are inserted for convenience of reference only and are not intended to be a part of or to affect the interpretation of the Plan; and (f) the rules of construction set forth in Bankruptcy Code section 102 and in the Bankruptcy Rules shall apply.

Section 1.02 Defined Terms

(1) **2007 Indenture** means that certain Indenture of Trust dated as of July 1, 2007, by and between the Bond Trustee and the Issuer, together with all supplements, amendments and modifications thereto, including, but not limited to, the 2014 Indenture.

(2) **2014 Indenture** means that certain Indenture of Trust dated as of September 1, 2014, by and between the Bond Trustee and the Issuer, together with all supplements, amendments and modification thereto.

(3) **2015 Indenture** means that certain Indenture of Trust, dated as of August 1, 2015, by and between the Bond Trustee and the Issuer, together with all supplements, amendments and modifications thereto.

(4) **2021 Bond Documents** means the 2021 Indenture, together with all related documents necessary for, or related to, the issuance of the Series 2021 Bonds.

(5) **Additional Agreements** means any and all executory contracts and unexpired leases other than Residence Agreements and Former Residence Agreements.

(6) **Administrative Claims** means a Claim for costs and expenses of administration pursuant to Bankruptcy Code sections 503(b), 507(a)(2), 507(b), or 1114(e)(2), including: (a) actual and necessary costs and expenses, incurred after the Petition Date and through the Effective Date, of preserving the Estate and operating the businesses of the Debtor (such as wages, salaries, or commissions for services, and payments for goods and other services and leased premises); (b) fees and charges assessed against the Estate pursuant to section 1930 of chapter 123 of Title 28 of the United States Code; (c) all Allowed Professional Fee Claims; (d) Cure Costs; and (e) Claims for compensation or expense reimbursement for making a substantial contribution in the chapter 11 Case pursuant to Bankruptcy Code sections 503(b)(3), (4), and (5) Allowed by the Bankruptcy Court.

(7) **Administrative Claims Bar Date** shall have the meaning set forth in Section 2.02 of the Plan unless the Bankruptcy Court Orders otherwise.

(8) **Affiliate** has the meaning set forth in Bankruptcy Code section 101(2). For purposes of ARTICLE XIV of the Plan and the definition of Related Person, an Affiliate of a Person shall also include another Person controlling, controlled by or under common control with such first Person. For purposes of this definition, “control” means, when used with respect to any Person, the possession, directly or indirectly, of the power to direct or cause the direction of the management and policies of such Person, whether through the ownership of voting securities, by contract, or otherwise, and the terms “controlling” and “controlled” have correlative meanings.

(9) **Allowed** means with reference to any Claim: any Claim or any portion thereof (i) as to which no objection to allowance has been interposed on or before the latter of (a) the Claim Objection Deadline or (b) the expiration of such other applicable period of limitation fixed by the Bankruptcy Code, the Bankruptcy Rules, or the Bankruptcy Court, or is listed on the Bankruptcy Schedules as liquidated, non-contingent and undisputed; (ii) as to which any objection to its allowance has been settled, waived through payment or withdrawn, as permitted herein, or denied by a Final Order; (iii) as to which liability of the Debtor and the amount thereof has been determined and expressly Allowed by a Final Order; (iv) as to which the liability of the Debtor and the amount thereof are determined and expressly Allowed by Final Order of a Court of competent jurisdiction other than the Bankruptcy Court; or (v) that is expressly deemed Allowed in a liquidated amount as set forth in the Plan.

(10) **Allowed Administrative Claim** means an Administrative Claim as to which a timely request for payment has been made in accordance with the Plan (if such written request is required) or other Administrative Claim, in each Case as to which the Debtor, the Bond Trustee, or the Reorganized Debtor (1) have not interposed a timely objection or (2) have interposed a timely objection and such objection has been settled, waived through payment or withdrawn, as permitted herein, or denied by a Final Order; provided further that the amount of any Secured Claim or Miscellaneous Secured Claim for purposes of the Plan (other than an Allowed Secured

Claim as set forth in the Plan) shall be determined in accordance with the Bankruptcy Code, including without limitation sections 502(b)(6), 503(b), and 506.

(11) **Assets** means all of the Debtor's all real and personal property, including the Facility.

(12) **Assumed Contracts** means Additional Agreements (i) designated by the Debtor as an Assumed Contract; and (ii) assumed by the Debtor as set forth in the Plan.

(13) **Assumed Residence Agreements** means the Residence Agreements that are scheduled to be assumed by the Debtor as set forth in the Plan.

(14) **Available Cash** means all of the Debtor's Cash and Cash Equivalents, determined in accordance with generally accepted accounting principles in the United States, as of 11:59 p.m. (prevailing Central time) on the date immediately before the Effective Date.

(15) **Avoidance Actions** means any and all actual or potential Claims or Causes of Action to avoid a transfer of property or an obligation incurred by the Debtor pursuant to any applicable section of the Bankruptcy Code, including sections 544, 545, 547, 548, 549, 550, 551, 553(b), and 724(a).

(16) **Ballot** means the document for accepting or rejecting the Plan, in the form approved by the Bankruptcy Court.

(17) **Bankruptcy Code** means the Bankruptcy Reform Act of 1978, as codified in title 11 of the United States Code, 11 U.S.C. §§ 101-1532, as heretofore or hereafter amended, as in effect on the Petition Date.

(18) **Bankruptcy Court** means the United States Bankruptcy Court for the Southern District of Texas, Houston Division.

(19) **Bankruptcy Rules** means, collectively, the Federal Rules of Bankruptcy Procedure and the Official Bankruptcy Forms, as amended, the Federal Rules of Civil Procedure, as amended, as applicable to the chapter 11 Case or proceedings therein, and the Local Rules of the Bankruptcy Court, as applicable to the chapter 11 Case or proceedings therein, as the Case may be.

(20) **Bankruptcy Schedules** means the schedules of assets and liabilities, lists of executory contracts and unexpired leases, and related information Filed by the Debtor pursuant to Bankruptcy Code section 521 and Bankruptcy Rule 1007(b), as such schedules may be amended or supplemented from time to time as permitted in accordance with Bankruptcy Rule 1009 or, order of the Bankruptcy Court.

(21) **Bankruptcy SOFAs** means the statements of financial affairs and related financial information Filed by the Debtor pursuant to Bankruptcy Code section 521 and Bankruptcy Rule 1007(b), as such may be amended or supplemented from time to time as permitted in accordance with Bankruptcy Rule 1009 or orders of the Bankruptcy Court.

(22) **Bar Date(s)** means, collectively and as applicable, the Claims Bar Date and the Governmental Bar Date, as established by the Court in the Bar Date Order.

(23) **Bar Date Order** means the *Order Establishing the Deadline for Filing Proofs of Claim and Approving the Form and Manner of Notice Thereof* [Dkt. No. 172].

(24) **Bond Claims** means all Claims arising from or relating to the Secured Bonds and the corresponding obligations.

(25) **Bond Fund** shall have the meaning set forth in the Restructuring Term Sheet.

(26) **Bond Indentures** means, collectively, the 2007 Indenture and the 2015 Indenture.

(27) **Bondholders** means the beneficial owners of the Secured Bonds as of the Voting Record Date.

(28) **Bond Trustee** means UMB Bank, N.A., not individually, but as bond trustee pursuant to the Bond Indentures.

(29) **Business Day** means any day, excluding Saturdays, Sundays or “legal holidays” (as defined in Bankruptcy Rule 9006(a)), on which commercial banks are open for business in Houston, Texas.

(30) **Case** means the Case commenced under chapter 11 of the Bankruptcy Code by the Debtor, currently pending before the Bankruptcy Court.

(31) **Cash** means legal currency of the United States of America or equivalents thereof, including bank deposits and checks.

(32) **Cash Equivalents** means any item or asset of the Debtor readily converted to Cash, such as bank accounts, marketable securities, treasury bills, certificate of deposit, commercial paper maturing less than one year from date of issue, or other liquid investments.

(33) **Causes of Action** means all actions, causes of action, liabilities, obligations, rights, suits, damages, judgments, remedies, demands, setoffs, defenses, recoupments, crossclaims, counterclaims, third-party claims, indemnity claims, contribution claims, or any other claims whatsoever, whether known or unknown, matured or unmatured, fixed or contingent, liquidated or unliquidated, disputed or undisputed, suspected or unsuspected, foreseen or unforeseen, direct or indirect, choate or inchoate, existing or hereafter arising, in law, equity, or otherwise, based in whole or in part upon any act or omission or other event occurring before the Petition Date or during the course of the chapter 11 Case, including through the Effective Date.

(34) **Charter Refund Obligations** means the Refund Claims of Former Charter Residents.

(35) **Class** means a category of Holders of Claims as set forth in Article IV, pursuant to section 1122(a) of the Bankruptcy Code.

(36) **Claim** means a claim, whether or not asserted or Allowed, as defined in Bankruptcy Code section 101(5).

(37) **Claim Objection Deadline** means the first Business Day, which is at least 120 days after the Effective Date in accordance with the Plan.

(38) **Claims Bar Date** means the September 17, 2021 at 5:00 p.m., prevailing Pacific Time deadline established by the Court to file all types of Claims (whether secured, unsecured priority, or unsecured nonpriority) against and interests in the Debtor that arose (or are deemed to have arisen) before the Petition Date excluding Claims held by Governmental Units as set forth in the Bar Date Order.

(39) **Class** means a category of Claims as set forth in Section 3.03, pursuant to Bankruptcy Code section 1122.

(40) **Collateral** means any property or interest in property of the Debtor's Estate subject to a Lien to secure the payment or performance of a Claim, which Lien is not subject to avoidance under the Bankruptcy Code or otherwise invalid under the Bankruptcy Code or applicable state law.

(41) **Confirmation** means entry by the Bankruptcy Court of the Confirmation Order on the docket of the chapter 11 Case.

(42) **Confirmation Date** means the date on which the Confirmation Order is entered on the docket in the chapter 11 Case within the meaning of Bankruptcy Rules 5003 and 9021.

(43) **Confirmation Hearing** means the hearing(s) held by the Bankruptcy Court to consider Confirmation of the Plan pursuant to Bankruptcy Code section 1129, as such hearing may be continued from time to time.

(44) **Confirmation Order** means the order entered by the Bankruptcy Court confirming the Plan pursuant to Bankruptcy Code section 1129.

(45) **Consenting Holders** means holders of at least sixty-nine percent (69%) of outstanding aggregate principal amount of all Secured Bonds issued.

(46) **Consummation** means the occurrence of the Effective Date.

(47) **Contributed Avoidance Actions** means Retained Avoidance Actions *except* for any Retained Avoidance Action against (a) any Released Party; (b) any Trade Creditor; and/or (c) any Resident.

(48) **Contributed Causes of Action** means the SQLC Causes of Action and the Contributed Avoidance Actions, including an adversary proceeding filed by the Creditors' Committee prior to the Effective Date relating to the Contributed Causes of Action in accordance with Article VI, Section 6.03 of this Plan. For the avoidance of doubt, Contributed Causes of Action shall not include any Claims or Causes of Action against any Released Parties.

(49) **Contributed Causes of Action Proceeds** means the proceeds of the resolution of Contributed Causes of Action.

(50) **Creditor** means any Person who holds a Claim against any Debtor.

(51) **Creditors' Committee** means the Official Committee of Unsecured Creditors appointed in this Case on July 12, 2022, as amended on August 3, 2021 [Dkt. No. 147].

(52) **Cure Costs** means all costs required to be paid by the Debtor, whether pursuant to an Order of the Bankruptcy Court or agreement between the Debtor and the counterparty to the relevant Executory Contract, to cure any and all monetary defaults, including pecuniary losses, in accordance with the terms of such Executory Contract and allow the Debtor to assume such Executory Contract pursuant to Bankruptcy Code section 365.

(53) **Current Residents** means Residents of the Facility exclusive of Former Residents as of the Effective Date.

(54) **Current Residence Agreements** means the Residence Agreements of Current Residents.

(55) **Current Resident Claims** means Refund Claims of Current Residents that become due and owing after the Effective Date pursuant to an Assumed Residence Agreement.

(56) **Days Cash on Hand** shall have the meaning set forth in the Restructuring Term Sheet.

(57) **D&O Liability Insurance Policies** means the Debtor's insurance policies for directors and officers liability including, without limitation, those issued by: (i) XL Specialty Insurance Co. and identified by Policy Number ELU16188419; (ii) Wesco Insurance Co. and identified by Policy Number EWU1806187 00; (iii) Argonaut Insurance Co. and identified by Policy Number MLX4243935-0; and (iv) Great Midwest Insurance Co. and identified by Policy Number HPROXSGM000001600.

(58) **Debtor** means Buckingham Senior Living Community, Inc. or The Buckingham.

(59) **Debt Service Reserve Fund Requirement** shall have the meaning set forth in the Restructuring Term Sheet.

(60) **Deficiency Claim** means a General Unsecured Claim for the difference between (a) the aggregate amount of an Allowed Claim and (b) the value received on account of the portion of such Allowed Claim that is a Secured Claim, including without limitation the difference between the value of any property securing a Claim and the Allowed amount of such Claim, unless the Holder of such Claim validly elects under section 1111(b) of the Bankruptcy Code to have such Claim treated as a Secured Claim to the extent allowed.

(61) **DIP Facility Claims** means a Claim held by the DIP Lender for all debts, indebtedness, obligations, covenants, and duties of payment and performance arising under or

relating to the DIP Facility Loan Agreement or the DIP Orders, including any and all accrued but unpaid interest and any unpaid fees or charges arising under the DIP Facility Loan Agreement.

(62) **DIP Facility Loan Agreement** means the \$5.0 million Priming Superpriority Debtor-in-Possession Credit Agreement, dated as of June 25, 2021, by and among the DIP Lender and the Debtor, together with any amendments, modifications or supplements thereto.

(63) **DIP Lender** means the lender or lenders who are a party to the DIP Facility Loan Agreement.

(64) **DIP Orders** means the (a) *Interim Order (I) Authorizing Debtor in Possession to Obtain Post-Petition Financing; (2) Authorizing Debtor in Possession to Use Cash Collateral; (3) Providing Adequate Protection; (4) Granting Liens, Security Interests and Superpriority Claims; and (5) Scheduling a Final Hearing* [Dkt. No. 50]; and (b) *Final Order (1) Authorizing Debtor in Possession to Obtain Post-Petition Financing; (2) Authorizing Debtor in Possession to Use Cash Collateral; (3) Providing Adequate Protection; and (4) Granting Liens, Security Interests and Superpriority Claims* [Dkt. No. 238], together with any amendments, modifications or supplements thereto.

(65) **Disallowed** means any Claim or portion thereof which has been disallowed by a Final Order and includes any Claim which is not an Allowed Claim for any other reason.

(66) **Disclosure Statement** means the *First Amended Disclosure Statement for the Debtor's Chapter 11 Plan*, as the same may be amended, modified or supplemented from time to time, including all exhibits and schedules thereto, that is prepared and distributed in accordance with the Bankruptcy Code, the Bankruptcy Rules, and any other applicable law.

(67) **Disclosure Statement Order** means the Order approving the Disclosure Statement, as the same may be amended, modified or supplemented.

(68) **Disputed** means, in reference to a Claim, any Claim not otherwise Allowed or Disallowed pursuant to the Plan or an order of the Bankruptcy Court (i) which has been Scheduled, or hereafter is listed on the Bankruptcy Schedules as unliquidated, contingent, or disputed, and which has not been resolved by written agreement of the parties; (ii) proof of which was required to be Filed but as to which a Proof of Claim was not timely or properly Filed; (iii) proof of which was timely and properly Filed and which has been or hereafter is listed on the Bankruptcy Schedules as unliquidated, disputed, or contingent; (iv) that is disputed in accordance with the provisions of the Plan; or (v) as to which the Debtor, the Bond Trustee or the Reorganized Debtor have interposed a timely objection in accordance with the Bankruptcy Code, the Bankruptcy Rules, and any orders of the Bankruptcy Court, or is otherwise disputed by the Debtor or the Bond Trustee or the Reorganized Debtor in accordance with applicable law, which objection or dispute has not been withdrawn or determined by a Final Order; *provided, however*, that for purposes of determining whether a particular Claim is a Disputed Claim before the expiration of any period of limitation fixed for the interposition by the Debtor or the Bond Trustee or the Reorganized Debtor of objections to the allowance of Claims, any Claim that is not an Allowed Claim shall be deemed Disputed.

(69) **Distribution Date** means the date(s), occurring as soon as practicable after the Effective Date, upon which distributions are to be made pursuant to the terms of the Plan to Holders of Allowed Administrative Claims, and other Allowed Claims; *provided, however*, that should such Allowed Claims be paid in the ordinary course of business, the Distribution Date shall be the date such Allowed Claim becomes payable under the terms of any contract or agreement or applicable non-bankruptcy law.

(70) **Distribution Record Date** means the close of business on the fifth (5th) Business Day following the Effective Date.

(71) **Distribution Waterfall** shall have the meaning set forth in the Restructuring Term Sheet.

(72) **Effective Date** means the first Business Day on which all conditions precedent set forth in Section 10.01 of the Plan have been satisfied or waived as permitted hereunder.

(73) **Employee Benefit Plans** means any employment, compensation, pension, welfare, healthcare, bonus, incentive compensation, sick leave and other leave, vacation pay, expense, reimbursement, dependent care, retirement, savings, deferred compensation, supplemental pension, retention, workers compensation, life insurance, disability, dependent care, dependent healthcare, education, severance or other compensation or benefit plan, agreement or arrangement for the benefit of the current or former directors, officers or employees (whether salaried or hourly, active or retired) of the Debtor.

(74) **Entity** has the meaning set forth in Bankruptcy Code section 101(15).

(75) **Entrance Fee** means the entrance fee that a Resident or Former Resident is obligated to pay or has paid to the Debtor under the terms of a Residence Agreement or Former Residence Agreement, as applicable.

(76) **Entrance Fee Fund** shall have the meaning set forth in the Restructuring Term Sheet.

(77) **Estate** means the estate created for the Debtor in its chapter 11 Case pursuant to Bankruptcy Code section 541.

(78) **Executory Contract** means all contracts and leases to which the Debtor is a party that is subject to assumption or rejection under section 365 of the Bankruptcy Code.

(79) **Exhibit** means an exhibit annexed either to the Plan, the Plan Documents, or the Disclosure Statement or Filed as part of the Plan Supplement.

(80) **Facility** means the 495-unit continuing care retirement community, owned and operated by the Debtor, comprised of 495,000 square feet of developed property on approximately 23 acres of land in Houston, Texas, Harris County, located at 8580 Woodway Drive Houston, Texas 77063.

(81) **File, Filed or Filing** means file, filed, or filing with the Bankruptcy Court or its authorized designee in the chapter 11 Case.

(82) **Final Order** means (a) an order or judgment of the Bankruptcy Court, as entered on the docket in the Case (or any related adversary proceeding or contested matter) or the docket of any other court of competent jurisdiction; or (b) an order or judgment of any other court having jurisdiction over any appeal from (or petition seeking certiorari or other review of) any order or judgment entered by the Bankruptcy Court (or any other court of competent jurisdiction, including in an appeal taken) in the Case (or in any related adversary proceeding or contested matter), in each case of (a) and (b) that has not been reversed, stayed, modified, or amended, and as to which the time to appeal, or seek certiorari or move for a new trial, reargument, or rehearing has expired in accordance with applicable law and no appeal or petition for certiorari or other proceeding for a new trial, reargument, or rehearing has been timely taken, or as to which any appeal that has been taken or any petition for certiorari that has been or may be timely filed has been withdrawn or resolved by the highest court to which the order or judgment was appealed or from which certiorari was sought or the new trial, reargument, or rehearing shall have been denied, resulted in no modification of such order, or has otherwise been dismissed with prejudice; *provided, however*, that the possibility a motion under Rule 60 of the Federal Rules of Civil Procedure, or any analogous rule under the Bankruptcy Rules or the Local Rules, may be filed relating to such order shall not prevent such order from being a Final Order.

(83) **Former Charter Resident(s)** means a Former Resident whose Residence Agreement requires payment of an Entrance Fee refund within 180 days of when such Entrance Fee refund became due and owing.

(84) **Former Residence Agreement(s)** means the Residence Agreement(s) of Former Residents.

(85) **Former Resident(s)** means a Resident (a) whose occupancy at the Facility has terminated as of the Effective Date; (b) who has provided a termination notice prior to the Effective Date; (c) who is not living at the Facility as of the Effective Date; (d) whose Residence Agreement has otherwise terminated prior to the Effective Date; (e) for which a Residence Agreement refund obligation is otherwise triggered prior to the Effective Date; and/or (f) whose Residence Agreement is the subject of a motion to reject Filed on or before the Confirmation Date.

(86) **General Unsecured Claim** means any unsecured Claim, including any Deficiency Claim, other than a Currently Owed Refund Obligation Claim, a Current Resident Claim, a Pre-Effective Date Refund Queue Claim, a Refund Claim, a Trade Claim or a Claim that is otherwise entitled to priority under the Bankruptcy Code.

(87) **Governance Documents** means any certificate of incorporation, certificate of formation, bylaws, limited liability company agreements (or any other formation and organizational documents) of the Debtor in effect as of the Petition Date.

(88) **Governmental Bar Date** means the January 5, 2022 at 5:00 p.m., prevailing Pacific Time deadline for Governmental Units (as defined in the Bar Date Order) holding claims (whether secured, unsecured priority, or unsecured non-priority) that arose (or are deemed to have

arisen) before the Petition Date to file Proofs of Claim, including claims for unpaid taxes, whether such claims arise from pre-petition tax years or periods or pre-petition transactions to which the Debtor was a party, as set forth in the Bar Date Order.

(89) **Greystone** means Greystone Management Services Company, LLC and its current and former members, equity-holders, officers, directors and employees, each acting in such capacity.

(90) **Greystone Claims** means any and all Claims or Causes of Action the Debtor or its Estate may have against Greystone in connection with any Proof of Claim filed by Greystone.

(91) **HIPAA** means the Health Insurance Portability and Accountability Act of 1996.

(92) **Holder** means the beneficial holder of any Claim.

(93) **Impaired** means, when used with reference to a Claim, a Claim that is impaired within the meaning of Bankruptcy Code section 1124.

(94) **Initial Queue Payment** means a distribution to the Holders of Allowed Pre-Effective Date Refund Queue Claims, which shall be made on the Effective Date in the amount equal to the unpaid amount of Charter Refund Obligations that are triggered and due and payable prior to the Effective Date and which amount shall not exceed \$2.366 million.

(95) **Insurance Policies** means, collectively, all of the Debtor's insurance policies, including, without limitation, the D&O Liability Insurance Policies.

(96) **Issuer** means the Tarrant County Cultural Education Facilities Finance Corporation, a nonstock nonprofit cultural education facilities finance corporation duly organized and existing under the laws of the State of Texas.

(97) **Life Care Residence Agreement(s)** means a Residence Agreement providing for the continuum of care of a Resident or Former Resident at the Facility, generally known as the life care benefit as more specifically set forth in the Residence Agreement.

(98) **Life Care Resident** means any Resident or Former Resident who has entered into a Life Care Residence Agreement with the Debtor.

(99) **Lien** means a charge against or interest in real or personal property to secure payment of a debt or performance of an obligation.

(100) **Litigation Trust** means a trust that shall be established on the Effective Date to hold and prosecute the Contributed Causes of Action pursuant to the Litigation Trust Agreement.

(101) **Litigation Trust Agreement** means the agreement in form and substance, reasonably acceptable to the Creditors' Committee and substantially in the form included in the Plan Supplement governing the Litigation Trust, which shall be approved in the Confirmation Order and entered into by the Litigation Trustee on behalf of the Litigation Trust beneficiaries on the Effective Date pursuant to the terms of the Plan.

(102) **Litigation Trust Assets** means Contributed Causes of Action Proceeds plus any Liquidating Trust Contribution Amount remaining after satisfaction of the reasonable fees and expenses of the Litigation Trust, the Litigation Trustee, and any Litigation Trustee Professionals.

(103) **Litigation Trust Contribution Amount** means \$50,000 to be funded from the Debtor's Available Cash in accordance with the Restructuring Term Sheet.

(104) **Litigation Trust Distributable Cash** means all Litigation Trust Assets reduced to Cash.

(105) **Litigation Trustee** means the administrator of the Litigation Trust selected by the Creditors' Committee, who shall be disclosed in the Plan Supplement.

(106) **Litigation Trustee Professionals** means any professionals retained by the Litigation Trustee to pursue any Contributed Causes of Action and/or administer the Litigation Trust.

(107) **Loan Agreements** mean that certain Loan Agreement dated July 1, 2007 between the Debtor and the Issuer (as amended by the Amendment No. 1 to the Loan Agreement dated September 1, 2014) and that certain Loan Agreement dated August 1, 2015 between the Debtor and the Issuer, which Issuer's rights were assigned to the Bond Trustee.

(108) **Master Trust Indenture** means that certain Master Trust Indenture, Deed of Trust and Security Agreement dated as July 1, 2007, as supplemented by the Supplemental Indenture Number 1, dated as of July 1, 2007, the Supplemental Indenture Number 2, dated as of September 1, 2014 and the Supplemental Indenture Number 3, dated as of August 1, 2015 between the Debtor and the Master Trustee.

(109) **Master Trustee** means UMB Bank, N.A., as master trustee under the Master Trust Indenture.

(110) **Miscellaneous Secured Claim** means any Secured Claim Filed or asserted against the Debtor, other than the Secured Bond Claims, and the DIP Claims.

(111) **New Debt Service Reserve Fund** shall have the meaning set forth in the Restructuring Term Sheet.

(112) **Non-Life Care Resident(s)** means any Resident of the Facility who is not a Life Care Resident.

(113) **Operating Account** shall have the meaning set forth in the Restructuring Term Sheet.

(114) **Operating Cash** shall have the meaning set forth in the Restructuring Term Sheet.

(115) **Operating Reserve Fund** shall have the meaning set forth in the Restructuring Term Sheet.

(116) **Order** means any award, decision, writ, injunction, judgment, order or decree entered, issued, made, or rendered by the Bankruptcy Court, any Governmental Authority.

(117) **Patient Care Ombudsman** means Susan N. Goodman, in her capacity as the patient care ombudsman appointed in the chapter 11 Case pursuant to the *Order Directing Appointment of Patient Care Ombudsman Pursuant to 11 U.S.C. § 333 and Fed. R. Bankr. P. 2007.2(a)* [Dkt. No. 115] and *Appointment of Health Care Ombudsman* [Dkt. No. 117].

(118) **Person** means an individual, corporation, general or limited partnership, limited liability company, trust, liquidating trust, incorporated or unincorporated association, joint venture, joint stock company, government (or an agency or political subdivision thereof) or other legally recognized entity of any kind.

(119) **Petition Date** means June 25, 2021, the date that the Debtor filed the chapter 11 Case.

(120) **Plan** means this *First Amended Chapter 11 Plan of Reorganization*, including any Exhibits and all supplements, appendices and Schedules, either in its present form or as the same may be altered, amended, modified or supplemented from time to time as permitted herein and in accordance with the provisions hereof.

(121) **Plan Default Notice** shall have the meaning set forth in Section 14.11 of the Plan.

(122) **Plan Distribution** means any payment or distribution of Cash, Assets, securities or instruments evidencing an obligation or any other property of any nature to any Holder of an Allowed Claim in accordance with the terms and provisions of the Plan.

(123) **Plan Documents** means all documents, forms, lists and agreements contemplated under the Plan (including, but not limited to the 2021 Bond Documents and any Plan Supplement, Exhibit or schedule) to effectuate the terms and conditions hereof.

(124) **Plan Supplement** means any supplement to the Plan, and the compilation of Plan Documents and forms of documents and Exhibits and schedules to the Plan, as amended, modified or supplemented from time to time, to be filed by the Debtor as permitted herein on or before the Plan Supplement Filing Date or as otherwise permitted by the Bankruptcy Court, and which shall include, among other things, (a) the identity of the individuals serving on the board of directors of the Reorganized Debtor; (b) the Litigation Trust Agreement (including the identity of the Litigation Trustee); (c) amended Schedule D to the Restructuring Term Sheet, which sets forth the Pre-Effective Date Refund Queue Claim(s), to the extent such Schedule D has changed since the filing of the Plan; and (d) all other items that the Debtor determines are necessary or appropriate connection with the Restructuring Transaction and the Plan.

(125) **Plan Supplement Filing Date** means the date not later than five (5) days before the Voting Deadline, which date may be modified by written agreement between the Debtor and the Bond Trustee.

(126) **Pre-Effective Date Refund Queue Claim(s)** means the Refund Claims of Former Residents to the extent set forth on **Schedule D** to the Restructuring Term Sheet (as may be amended or modified).

(127) **Priority Non-Tax Claim(s)** means any Claim, other than an Administrative Claim or a Priority Tax Claim, entitled to priority in payment, or disposition of the Debtor's Assets, as specified in Bankruptcy Code section 507(a).

(128) **Priority Tax Claim** means a Claim that is entitled to priority in payment, or disposition of the Debtor's Assets, as specified in Bankruptcy Code section 507(a)(8).

(129) **Pro Rata** means that proportion that a Claim in a particular Class bears to the aggregate amount of all Claims in such Class, except in cases where Pro Rata is used in reference to multiple Classes, in which case Pro Rata means the proportion that a Claim in a particular Class bears to the aggregate amount of all Claims in such multiple Classes.

(130) **Professional** means any professional (a) employed in the chapter 11 Case pursuant to Bankruptcy Code sections 156, 327, 328, 363 or 1103 and (b) compensated for services rendered either (i) pursuant to Bankruptcy Code sections 327, 328, 329, 330 or 331; or (ii) seeking compensation and reimbursement as an administrative expense of the Debtor's Estate.

(131) **Professional Fee Claim** means a Claim of a Professional for compensation or reimbursement of expenses relating to services for the benefit of the Estate, rendered after the Petition Date through the Effective Date.

(132) **Proof of Claim** means the proof of claim Filed on or before the Bar Date by a Holder of a Claim by the date(s) designated by the Bankruptcy Court as the Bar Date, as may be extended by the Debtor or by Bankruptcy Court Order.

(133) **Proposed Assumed Contract(s)** shall have the meaning given to such term in Section 8.01 of the Plan.

(134) **Refund Claim** means the Claim or any right of any Resident of the Facility for all or a portion of an Entrance Fee under the Life Care Residence Agreements.

(135) **Related Persons** means, with respect to any Person, such Person's predecessors, successors and assigns (whether by operation of law or otherwise) and their respective present and former Affiliates and each of their respective current and former members, partners, equity-holders, officers, directors, employees, managers, shareholders, partners, financial advisors, attorneys, accountants, investment bankers, consultants, agents, representatives and professionals, each acting in such capacity, and any Person claiming by or through any of them (including their respective officers, directors, managers, shareholders, partners, employees, members and professionals).

(136) **Released Parties** means, collectively and individually, the Debtor, the Special Resident Committee, the Creditors' Committee, the DIP Lender, the Bond Trustee, the Master Trustee, and the Bondholders, and each of their respective Related Persons; *provided, however*, that notwithstanding the foregoing, or the definition of Related Persons, SQLC, Seniority and the

officers, directors and employees of SQLC and Seniority acting as officers, directors and managers of the Debtor are expressly excluded from this definition of Released Parties.

(137) **Repair and Replacement Fund** shall have the meaning set forth in the Restructuring Term Sheet.

(138) **Residence Agreement(s)** means any occupancy, residency, lease, tenancy or similar written agreements entered into in the Ordinary Course of Business with Residents of the Facility, including any amendments, modifications, supplements, renewals and extensions thereof.

(139) **Resident** means a natural person occupying or living at or in the Facility or any part thereof pursuant to the terms of a Residence Agreement.

(140) **Resident Deposit(s)** means a deposit, initial service fee, entrance fee and/or advance of any kind or nature from any Resident in connection with the terms of any Residence Agreement.

(141) **Resident Claim** means a Claim of a Resident or a Former Resident arising from or pursuant to his or her Residence Agreement or Former Residence Agreement, as applicable.

(142) **Restructuring Term Sheet** means that certain document at **Exhibit A** which is hereby fully incorporated into the Plan by reference, the terms of which shall be binding on the Debtor, Reorganized Debtor, the Issuer and all other creditors and parties-in-interest pursuant to the Confirmation Order.

(143) **Restructuring Funds** means, collectively, the Operating Reserve Fund, the Operating Account, the Revenue Fund, the Bond Fund, the Repair and Replacement Fund, the Entrance Fee Fund and the New Debt Service Reserve Fund, including any accounts or subaccounts therein.

(144) **Retained Avoidance Actions** means all Avoidance Actions that the Debtor or its Estate may hold and specifically retain and may prosecute post-Confirmation. For the avoidance of doubt, Retained Avoidance Actions shall not include any Claims or Causes of Action against any Released Parties.

(145) **Retained Causes of Action** means the Causes of Action, including Retained Avoidance Actions, that the Debtor or its Estate may hold and specifically retain and may prosecute post-Confirmation. For the avoidance of doubt, Retained Causes of Action shall not include any Claims or Causes of Action against any Released Parties.

(146) **Revenue Fund** shall have the meaning set forth in the Restructuring Term Sheet.

(147) **Scheduled** means, with respect to any Claim, the status and amount, if any, of such Claim as set forth in the Bankruptcy Schedules.

(148) **Secured** means, when referring to a Claim: (a) secured by a Lien on property in which the Estate has an interest, which Lien is valid, perfected, and enforceable pursuant to applicable law or Bankruptcy Court Order, or that is subject to setoff, pursuant to Bankruptcy Code

section 553, to the extent of the value of the Creditor's interest in the Estate's interest in such property or to the extent of the amount subject to setoff, as applicable, as determined pursuant to Bankruptcy Code section 506(a); or (b) Allowed pursuant to the Plan as a Secured Claim.

(149) **Secured Bonds** means, collectively, the Series 2007 Bonds, the Series 2014 Bonds and the Series 2015 Bonds.

(150) **Secured Bond Claims** means the Secured Claim arising or asserted under the Secured Bonds.

(151) **Securities Act** means the Securities Act of 1933, 15 U.S.C. sections 77a-77aa, as now in effect or hereafter amended.

(152) **Seniority** means Seniority, Inc. and its current and former equity-holders, officers, directors, and employees, each acting in such capacity.

(153) **Series 2007 Bonds** means the Issuer's Retirement Facility Revenue Bonds (Buckingham Senior Living Community, Inc. Project) Series 2007.

(154) **Series 2007 Note** means that certain promissory note evidencing the Debtor's obligation to repay the Series 2007 Bonds.

(155) **Series 2014 Bonds** means the Issuer's Retirement Facility Revenue Bonds (Buckingham Senior Living Community, Inc. Project) Series 2014.

(156) **Series 2014 Note** means that certain promissory note evidencing the Debtor's obligation to repay the Series 2014 Bonds.

(157) **Series 2015A Bonds** means the Issuer's Retirement Facility Revenue Bonds (Buckingham Senior Living Community, Inc. Project) Series 2015A.

(158) **Series 2015A Note** means that certain promissory note evidencing the Debtor's obligation to repay the Series 2015A Bonds.

(159) **Series 2015B Bonds** means the Issuer's Retirement Facility Revenue Bonds (Buckingham Senior Living Community, Inc. Project) Series 2015B.

(160) **Series 2015B Note** means that certain promissory note evidencing the Debtor's obligation to repay the Series 2015B Bonds.

(161) **Series 2015 Bonds** means, collectively, the Series 2015A Bonds and the Series 2015B Bonds.

(162) **Series 2021A Bonds** means the Issuer's Retirement Facility Revenue Bonds (Buckingham Senior Living Community, Inc. Project) Series 2021A Bonds, issued pursuant to the Restructuring Transaction.

(163) **Series 2021A Note** means that certain promissory note evidencing the Debtor's obligation to repay the Series 2021A Bonds.

(164) **Series 2021B Bonds** means the Issuer's Retirement Facility Revenue Bonds (Buckingham Senior Living Community, Inc. Project) Series 2021B Bonds issued pursuant to the Restructuring Transaction.

(165) **Series 2021B Note** means that certain promissory note evidencing the Debtor's obligation to repay the Series 2021B Bonds.

(166) **Series 2021 Bonds** means, collectively, the Series 2021A Bonds and the Series 2021B Bonds.

(167) **Series 2021 Notes** means the Series 2021A Note and Series 2021B Note.

(168) **Special Resident Committee** means the Special Committee formed to represent the interests of Current Residents and Former Residents prior to the formation of the Creditors' Committee.

(169) **SQLC** means Senior Quality Lifestyles Corporation and its current and former members, equity-holders, officers, directors and employees, each acting in such capacity and in such capacity acting as officers and directors of the Debtor.

(170) **SQLC Causes of Action** means Retained Causes of Action against SQLC and/or Seniority arising out of SQLC being the former sole member of the Debtor and Seniority's operation of the Facility prior to June 7, 2019, and which shall be transferred to the Litigation Trust.

(171) **Steering Committee** means the informal steering committee comprised of Bondholders currently holding approximately 69% of the outstanding aggregate principal amount of Bonds.

(172) **Trade Claim** means an unsecured Claim held by a party that, within 90 days of the Petition Date, has provided goods or services to the Debtor on an ongoing basis and has continued to provide such goods and services to the Debtor after the Petition Date, as applicable.

(173) **Trade Creditor** means a creditor that is a Holder of a Trade Claim.

(174) **Transaction(s)** means the transactions contemplated by the Plan and approved by the Confirmation Order.

(175) **Trustee** means, together, the Bond Trustee and Master Trustee.

(176) **Unclaimed Property** has the meaning set forth in Section 7.05 of the Plan.

(177) **Unimpaired** means a Claim that is not Impaired.

(178) **Unrestricted Reserve Account** shall have the meaning set forth in the Restructuring Term Sheet.

(179) **Voting Deadline** means the date by which a Creditor must deliver a Ballot to accept or reject the Plan as set forth in the Order of the Bankruptcy Court approving the instructions and procedures relating to the solicitation of votes with respect to the Plan.

(180) **Voting Record Date** means the record date for voting on the Plan as set forth in the Disclosure Statement Order.

Section 1.03 Computation of Time

In computing any period of time prescribed or Allowed by the Plan, the provisions of Bankruptcy Rule 9006(a) shall apply.

Section 1.04 Reference to Monetary Figures

All references in the Plan to monetary figures shall refer to legal currency of the United States of America, unless otherwise expressly provided.

Section 1.05 Exhibits and Plan Supplement

All Exhibits, all Plan Documents, as well as the Plan Supplement, are incorporated into and are a part of the Plan as if set forth in full herein, and, to the extent not annexed hereto, such Exhibits and Plan Supplement shall be timely Filed with the Clerk of the Bankruptcy Court on or before the Plan Supplement Filing Date. Holders of Claims may obtain a copy of the Filed Exhibits and the Plan Supplement upon written request to the Debtor's counsel. Once Filed, the Exhibits and the Plan Supplement may be inspected in the office of the clerk of the Bankruptcy Court or at the Balloting Agent's website for this Case at <https://cases.stretto.com/TheBuckingham>. The documents contained in the Exhibits and Plan Supplement shall be approved by the Bankruptcy Court pursuant to the Confirmation Order. The Debtor explicitly reserves the right to change, modify, amend, supplement or withdraw any Exhibit to the Plan or the Plan Supplement with the reasonable consent of the Trustee.

Section 1.06 Deemed Acts

Whenever an act or event is expressed under the Plan to have been deemed done or to have occurred, it shall be deemed to have been done or to have occurred without any further act by any party, by virtue of the Plan and the Confirmation Order.

ARTICLE II

TREATMENT OF UNCLASSIFIED CLAIMS AGAINST THE DEBTOR [NOT ENTITLED TO VOTE ON THE PLAN]

In accordance with section 1123(a)(1) of the Bankruptcy Code, Administrative Claims and Priority Tax Claims have not been classified and thus are excluded from the Classes of Claims set forth in Article III and Article IV hereof. The Unclassified Claims are treated as follows:

Section 2.01 Administrative Claims

Subject to the Bar Date and other provisions herein and except to the extent the holder of an Allowed Administrative Claim agrees to different and less favorable treatment, the Reorganized Debtor shall pay, in full satisfaction and release of such Claim, to each holder of an Allowed Administrative Claim, Cash, in an amount equal to such Allowed Administrative, on the later of (a) the Effective Date, and (b) the first Business Day after the date that is thirty (30) days after the date on which such Administrative Claim becomes an Allowed Administrative Claim, or as soon thereafter as is practicable, *provided, however*, that Allowed Administrative Claims representing obligations incurred in the ordinary course of business of the Debtor, if any, shall be paid in full in accordance with the terms and conditions of the particular transactions and any applicable agreements. The Reorganized Debtor shall pay all United States Trustee fees, in accordance with the terms of the Plan, until such time as the Bankruptcy Court enters a final decree closing the chapter 11 Case. Cash payments of Allowed Administrative Claims shall be paid from the Debtor's Available Cash, or if the Debtor's Available Cash is insufficient to pay all Allowed Administrative Claims, any shortfall shall be paid from the proceeds of the Series 2021A Bonds in accordance with Article IV and the Restructuring Term Sheet.

Section 2.02 Bar Dates

Except for Professional Fee Claims, all requests for payment or any other means of preserving and obtaining payment of Administrative Claims (including substantial contribution claims (but not including Professional Fee Claims or Priority Tax Claims)), that have not been paid in the ordinary course, released, compromised or otherwise settled, must be Filed with the Bankruptcy Court and served upon the Reorganized Debtor no later than thirty (30) calendar days after the Effective Date (the "Administrative Claims Bar Date"). Any request for payment of Administrative Claims that is not timely Filed by the Administrative Claims Bar Date shall be forever Disallowed and barred, and holders of such Claim will not be able to assert such Claim in any manner against the Debtor, the Debtor's Estate, the Reorganized Debtor or any of their representatives. Objections to such requests must be Filed and served on the requesting party by the later of (a) sixty (60) days after the Effective Date; or (b) sixty (60) days after the filing of the applicable request for payment of such Administrative Claims.

Section 2.03 Priority Tax Claims

Except to the extent the holder of an Allowed Priority Tax Claim agrees to different and less favorable treatment, the Reorganized Debtor shall pay, in full satisfaction and release of such Claim, to each holder of an Allowed Priority Tax Claim, Cash, in an amount equal to such Allowed Priority Tax Claim, on the later of (a) the Effective Date; and (b) the first Business Day after the date on which such Priority Tax Claim becomes an Allowed Priority Tax Claim, or as soon thereafter as may be practicable. Cash payments of Allowed Priority Tax Claims shall be paid from the Debtor's Available Cash, or if the Debtor's Available Cash is insufficient to pay all Allowed Priority Tax Claims, any shortfall shall be paid from the proceeds of the Series 2021A Bonds in accordance with Article IV and the Restructuring Term Sheet.

Section 2.04 Professional Fee Claims

Each holder of a Professional Fee Claim seeking an award by the Bankruptcy Court of compensation for services rendered and/or reimbursement of expenses incurred through and including the Effective Date (other than substantial contribution claims under Bankruptcy Code section 503(b)(4)) must File and serve its respective application for allowance of such Professional Fee Claim no later than the date that is sixty (60) days after the Effective Date or such other date as may be fixed by the Court. Objections to applications of such Professionals for compensation and/or reimbursement of expenses must be filed and served on the Reorganized Debtor and the requesting Professional no later than thirty (30) days (or such longer period as may be Allowed by order of the Bankruptcy Court) after the date on which the applicable application for compensation or reimbursement was served.

Section 2.05 DIP Facility Claims

The DIP Facility Claims shall be deemed to be Allowed Secured Claims and superpriority Administrative Claims in the full amount due and owing under the DIP Facility Loan Agreement as of the Effective Date and in accordance with the Debtor's books and records.

The DIP Facility Claims shall be satisfied in full as part of the Series 2021 Bonds in connection with the Debt Service Reserve Fund Requirement. Thereafter, other than obligations that may arise and survive by their terms under the DIP Facility Loan Agreement or DIP Orders, all obligations under the DIP Facility Loan Agreement shall terminate.

ARTICLE III

CLASSIFICATION OF CLAIMS

Section 3.01 General Notes on Classification and Treatment of Classified Claims

Pursuant to sections 1122 and 1123 of the Bankruptcy Code, Claims (other than Administrative Claims, Priority Tax Claims and DIP Facility Claims, which are receiving the treatment set forth in Article II) are classified for all purposes, including voting, confirmation, and distribution pursuant to the Plan, as set forth herein. A Claim shall be deemed classified in a particular Class only to the extent that the Claim qualifies within the description of that Class, and shall be deemed classified in a different Class to the extent that any remainder of such Claim qualifies within the description of such different Class. Notwithstanding anything to the contrary in the Plan, a Claim shall be deemed classified in a Class only to the extent that such Claim has not been paid, released, or otherwise settled before the Effective Date.

Section 3.02 Voting; Presumptions

1. **Acceptance by Impaired Classes.** Each Impaired Class of Claims that will (or may) receive or retain property or any interest in property under the Plan shall be entitled to vote to accept or reject the Plan. An Impaired Class of Claims shall have accepted the Plan if (i) the Holders (other than any Holder designated under Bankruptcy Code section 1126(e)) of at least two-thirds (2/3) in amount of the Allowed Claims actually voting in such Class have voted to accept the Plan and (ii) the Holders (other than any Holder designated under Bankruptcy Code

section 1126(e)) of more than one-half (1/2) in number of the Allowed Claims actually voting in such Class have voted to accept the Plan.

2. **Voting Presumptions.** Claims in Unimpaired Classes are conclusively deemed to have accepted the Plan pursuant to Bankruptcy Code section 1126(f) and, therefore, are not entitled to vote to accept or reject the Plan. Holders of Claims in Classes that do not receive or retain any property under the Plan are conclusively deemed to have rejected the Plan pursuant to Bankruptcy Code section 1126(g).

Section 3.03 Identification of Claims

The following table designates the Classes of Claims against the Debtor and specifies which of those Classes are (a) Impaired or Unimpaired by the Plan; (b) entitled to vote to accept or reject the Plan in accordance with Bankruptcy Code section 1126; and (c) deemed to accept or reject the Plan.

Class	Impairment	Treatment	Entitled to Vote
Class 1 – Priority Non-Tax Claims	Unimpaired	Paid in full in Cash on the Effective Date	No (Deemed to accept)
Class 2 – Secured Bond Claims	Impaired	See Section 4.02	Yes (Entitled to vote to accept or reject)
Class 3 – Miscellaneous Secured Claims	Unimpaired	Paid in full in Cash on the Effective Date or such other treatment that shall leave such Claim Unimpaired. See Section 4.03	No (Deemed to accept)
Class 4 – Pre-Effective Date Refund Queue Claims	Impaired	Paid (a) Pro Rata share of the Initial Queue Payment; (b) Pro Rata share of Litigation Trust Distributable Cash; and (c) Pro Rata semi-annually from the time the Operating Cash is in excess of 135 Days Cash on Hand until the Pre-Effective Date Refund Queue Claims are paid in the full. See Section	Yes (Entitled to vote to accept or reject)

Class	Impairment	Treatment	Entitled to Vote
		4.04.	
Class 5 – Current Resident Claims	Unimpaired	Paid in the ordinary course of business as provided under the applicable Residence Agreement. See Section 4.05.	No (Deemed to accept)
Class 6 – Trade Claims	Impaired	Paid in full in Cash on or promptly after the Effective Date See Section 4.06.	Yes (Entitled to vote to accept or reject)
Class 7 – General Unsecured Claims	Impaired	Paid Pro Rata share of Litigation Trust Distributable Cash. See Section 4.07.	Yes (Entitled to vote to accept or reject)

ARTICLE IV

TREATMENT OF CLAIMS

Section 4.01 Priority Non-Tax Claims

Classification: Class 1 consists of the Allowed Priority Non-Tax Claims.

Treatment: Except to the extent that a Holder of an Allowed Claim in Class 1 has agreed in writing with the Debtor and the Bond Trustee to a different treatment (in which event such other subsequent writing will govern), each Holder of an Allowed Claim in Class 1 shall receive, on account of, and in full and complete settlement, release and discharge of and in exchange for, such Claim, at the election of the Reorganized Debtor, (a) Cash equal to the amount of such Allowed Claims in Class 1, in accordance with Bankruptcy Code section 1129(a)(9), on the later of (1) the Effective Date (or as soon as reasonably practicable thereafter); and (2) the date such Claim in Class 1 becomes an Allowed Claim in Class 1 (or as soon as reasonably practicable thereafter); and (b) such other treatment agreed to by the Debtor and the Bond Trustee required to render such Allowed Claims in Class 1 Unimpaired pursuant to Bankruptcy Code section 1124. Cash payments of Allowed Claims in Class 1 shall be paid from the Debtor's Available Cash, or if the Debtor's Available Cash is insufficient to pay all Allowed Claims in Class 1, any shortfall shall be paid from the proceeds of the Series 2021A Bonds, subject to the terms of the Restructuring Term Sheet.

Voting: Claims in Class 1 are Unimpaired. The Holders of Claims in Class 1 shall be deemed to have accepted the Plan pursuant to Bankruptcy Code section 1126(f) and, therefore, shall not be entitled to vote to accept or reject the Plan.

Section 4.02 Secured Bond Claims

Classification: Class 2 consists of the Allowed Secured Bond Claims. The Secured Bond Claim is an Allowed Secured Claim in the aggregate principal amount of \$140,340,000 plus the costs and expenses of the Trustee and its professionals. Any such costs and expenses outstanding shall be paid from the funds held by the Trustee under the Bond Indentures and/or from the proceeds of the Series 2021A Bonds on the Effective Date.

Treatment: In full and complete settlement, satisfaction, release and discharge of and in exchange for the Allowed Secured Bond Claims (exclusive of Trustee fees and expenses, which shall be paid as set forth above), as described in the Restructuring Term Sheet and herein, on the Effective Date, each Holder of Secured Bond Claims shall exchange the then outstanding Secured Bonds for a Pro Rata share of the Series 2021B Bonds issued in the aggregate original principal amount of \$140,340,000 as set out more fully in the 2021 Bond Documents.

Voting: Claims in Class 2 are Impaired. The Holders of Claims in Class 2 shall be entitled to vote to either accept or reject the Plan.

Section 4.03 Miscellaneous Secured Claims

Classification: Class 3 consists of Miscellaneous Secured Claims.

Treatment: On or as soon as reasonably practicable after the latest to occur of (a) the Effective Date; and (b) the date on which each Class 3 Claim becomes an Allowed Claim, each Holder of such an Allowed Claim, if any, shall receive, on account of, and in full and complete settlement and release of and in exchange for such Allowed Class 3 Claim, at the election of the Reorganized Debtor (with the prior written consent of Bond Trustee), (i) such treatment in accordance with Bankruptcy Code section 1124 as may be determined by the Bankruptcy Court; (ii) payment in full, in Cash, of such Allowed Class 3 Claim; (iii) satisfaction of any such Allowed Class 3 Claim by delivering the Collateral securing any such Claims (if such Collateral is an Other Asset) and paying any interest fees, costs and/or expense required to be paid under Bankruptcy Code section 506(b); or (iv) providing such Holder with such treatment in accordance with Bankruptcy Code section 1129(b) as may be determined by the Bankruptcy Court. Cash payments of Allowed Claims in Class 3 shall be paid from the Debtor's Available Cash, or if the Debtor's Available Cash is insufficient to pay all Allowed Claims in Class 3, any shortfall shall be paid from the proceeds of the Series 2021A Bonds.

Voting: Claims in Class 3 are Unimpaired. Each Holder of an Allowed Claims in Class 3 shall be conclusively deemed to have accepted the Plan pursuant to Bankruptcy Code section 1126(f), and, therefore, shall not be entitled to vote to accept or reject the Plan.

Section 4.04 Pre-Effective Date Refund Queue Claims

Classification: Class 4 consists of all Allowed Pre-Effective Date Refund Queue Claims.

Treatment: All Residence Agreements of Holders of Class 4 Claims, to the extent such Residence Agreements remain executory, shall be rejected as of the Effective Date. Each Holder of an Allowed Pre-Effective Date Refund Queue Claim in Class 4 shall receive, in full and complete settlement, satisfaction, release and discharge of and in exchange for such Claim, (a) its Pro Rata share of the Initial Queue Payment; (b) its Pro Rata share of the Litigation Trust Distributable Cash as soon as practicable as determined by the Litigation Trustee; and (c) Pro Rata cash payments made semi-annually to the extent that on such semi-annual dates the Reorganized Debtor has Operating Cash in excess of 135 Days Cash on Hand until such time as the Allowed Pre-Effective Date Refund Queue Claims are paid in the full. As detailed herein, the Claim of each Holder in Class 4 is an Allowed Claim in the amount of the Entrance Fee refund obligation owed under the applicable Residence Agreement, if any, in the amount set forth on **Schedule D** to the Restructuring Term Sheet (as may be amended or modified as provided herein or in Schedule D), without the need for the filing of any Proof of Claim by Holders of Class 4 Claims. Holders of Class 4 Claims may File, but are not required to File and shall not be precluded from Filing, Proofs of Claim if they so desire.

If an estate was the designated beneficiary of an Allowed Pre-Effective Date Refund Queue Claim in Class 4, a mechanism will exist for the executor or the personal representative of the estate to elect to divide such claim among the heirs for distribution purposes unless otherwise prohibited by state law.

Voting: Claims in Class 4 are Impaired. The Holders of Claims in Class 4 shall be entitled to vote to either accept or reject the Plan.

Section 4.05 Current Resident Claims

Classification: Class 5 consists of all Allowed Current Resident Claims.

Treatment: The rights of Holders of Allowed Current Resident Claims shall be unaltered and unaffected by the Plan. The Current Residence Agreements and all obligations thereunder, will be assumed by the Debtor and any and all Allowed Current Resident Claims will be paid in the ordinary course of business as it becomes due under the applicable Current Residence Agreement.

Voting: Claims in Class 5 are Unimpaired. The Holders of Claims in Class 5 shall be conclusively deemed to have accepted the Plan pursuant to Bankruptcy Code section 1126(f) and, therefore, shall not be entitled to vote to accept or reject the Plan.

Section 4.06 Trade Claims

Classification: Class 6 consists of all Allowed Trade Claims.

Treatment: On or as soon as reasonably practicable after the latest to occur of (a) the Effective Date; and (b) the date on which each such Class 6 Claim becomes an Allowed Claim, except to the extent that a Holder of an Allowed Trade Claim has already been paid during the chapter 11 Case or agrees to a less favorable treatment, in full and complete settlement, satisfaction, release and discharge of and in exchange for each Allowed Trade Claim, each Holder

of an Allowed Trade Claim shall receive payment in full, in Cash, of such Allowed Class 6 Claim without interest. Cash payments of Allowed Claims in Class 6 shall be paid from the Debtor's Available Cash, or if the Debtor's Available Cash is insufficient to pay all Allowed Claims in Class 6, any shortfall shall be paid from the proceeds of the Series 2021A Bonds.

Voting: Claims in Class 6 are Impaired. The Holders of Claims in Class 6 shall be entitled to vote to accept or reject the Plan.

Section 4.07 General Unsecured Claims

Classification: Class 7 consists of all Allowed General Unsecured Claims, including, without limitation, (a) the Secured Bonds Deficiency Claim; and (b) any claim of a Resident (under such Resident's Residence Agreement or otherwise), except for a Refund Claim.

Treatment: Except to the extent that a Holder of an Allowed General Unsecured Claim agrees to a less favorable treatment, in full and complete settlement, satisfaction, release and discharge of and in exchange for each Allowed General Unsecured Claim, each Holder of an Allowed General Unsecured Claim shall receive its Pro Rata share of Litigation Trust Distributable Cash as soon as reasonably practicable as determined by the Litigation Trustee; *provided, however*, that the Holders of Secured Bond Claims will receive no distribution on account of their Secured Bonds Deficiency Claim but shall have the right to vote such claims in Class 7. For the avoidance of doubt, the Debtor or the Reorganized Debtor may, but shall not be required to, set off against any Allowed General Unsecured Claims and the payments or distributions to be made pursuant to the Plan in respect of such Allowed General Unsecured Claims, any and all debts, liabilities and Claims of every type and nature whatsoever that the Estate, the Debtor or the Reorganized Debtor may have against the Holder of such Claim, but neither the failure to do so nor the Allowance of any such Claims, whether pursuant to the Plan or otherwise, shall constitute a waiver or release by the Debtor of any such Claims the Debtor may have against such Holder of any Claim, and all such Claims shall be reserved for and retained by the Reorganized Debtor.

Voting: Claims in Class 7 are Impaired. The Holders of Claims in Class 7 shall be entitled to vote to accept or reject the Plan.

ARTICLE V

ACCEPTANCE OR REJECTION OF THE PLAN

Section 5.01 Acceptance by an Impaired Class

In accordance with section 1126(c) of the Bankruptcy Code, and except as provided in section 1126(e) of the Bankruptcy Code, an Impaired Class of Claims shall have accepted the Plan if it is accepted by the Holders of at least two-thirds (2/3) in dollar amount and more than one-half (1/2) in number of the Allowed Claims of such Class that have timely and properly voted to accept or reject the Plan.

Section 5.02 Designation of Unimpaired Classes Presumed to Accept the Plan

Classes 1, 3, and 5 are Unimpaired. Accordingly, Classes 1, 3 and 5 are conclusively presumed to have accepted the Plan pursuant to section 1126(f) of the Bankruptcy Code.

Section 5.03 Designation of Impaired Classes

Classes 2, 4, 6, and 7 are Impaired under the Plan, and Holders of Claims in such classes as of the Voting Record Date are entitled to vote to accept or reject the Plan as set forth herein.

Section 5.04 Cram Down – Nonconsensual Confirmation

If each Impaired Class of Claims entitled to vote shall not accept the Plan by the requisite statutory majority provided in Bankruptcy Code section 1126(c) or 1126(d), the Debtor requests Confirmation of the Plan under Bankruptcy Code section 1129(b). In that event, the Debtor reserves the right to modify the Plan to the extent, if any, that Confirmation pursuant to Bankruptcy Code section 1129(b) requires modification or any other reason in its discretion.

ARTICLE VI

MEANS FOR IMPLEMENTATION OF THE PLAN AND POST EFFECTIVE DATE GOVERNANCE

Section 6.01 The Restructuring Transaction

The Plan implements the Restructuring Transaction, pursuant to which all Assets of the Estate, excluding Contributed Causes of Action, will vest in the Reorganized Debtor as provided herein and in the Restructuring Term Sheet. On or before the Effective Date, the Reorganized Debtor shall enter into and shall take any and all actions as may be necessary or appropriate to effectuate the Restructuring Transaction as more fully described in the Restructuring Term Sheet. The actions to implement the Restructuring Transaction shall include the execution and delivery of appropriate agreements including the 2021 Bond Documents that are consistent with the terms of the Plan and the Restructuring Term Sheet, satisfy the requirements of applicable law, and are reasonably satisfactory to the Trustee. The Reorganized Debtor shall be authorized and directed to enter into the 2021 Bond Documents on the Effective Date.

(1) On the Effective Date, the 2021 Bond Documents shall constitute legal, valid, binding, and authorized obligations of the Reorganized Debtor, enforceable in accordance with their terms. The financial accommodations to be extended under the 2021 Bond Documents shall be deemed to have been extended in good faith for legitimate business purposes; and they are reasonable and shall not be subject to avoidance, re-characterization, or subordination (including equitable subordination) for any purpose whatsoever and shall not constitute preferential transfers, fraudulent conveyances, or other voidable transfers under the Bankruptcy Code or any other applicable non-bankruptcy law.

(2) On the Effective Date, all of the Liens and security interests to be granted in accordance with the 2021 Bond Documents (a) shall be deemed to be granted, (b) shall be legal, binding, and enforceable Liens on and security interests in the collateral granted thereunder in

accordance with the terms of the 2021 Bond Documents, (c) shall be deemed automatically perfected on the Effective Date (without any further action being required by the Reorganized Debtor, the Bond Trustee, or any of Holders of Series 2021 Bonds), having the priority set forth in the 2021 Bond Documents and subject only to such Liens and security interests as may be permitted under the 2021 Bond Documents, and (d) shall not be subject to avoidance, recharacterization, or subordination (including equitable subordination) for any purposes whatsoever and shall not constitute preferential transfers, fraudulent conveyances, or other voidable transfers under the Bankruptcy Code or any applicable non-bankruptcy law.

(3) The Reorganized Debtor, and the Entities granted such Liens and security interests are authorized to make all filings and recordings and to obtain all governmental approvals and consents necessary to establish and perfect such Liens and security interests under the provisions of the applicable state, provincial, federal, or other law (whether domestic or foreign) that would be applicable in the absence of the Plan and the Confirmation Order (it being understood that perfection shall occur automatically by virtue of the entry of the Confirmation Order, and any such filings, recordings, approvals, and consents shall not be required) and the Reorganized Debtor will thereafter cooperate to make all other filings and recordings that otherwise would be necessary under applicable law to give notice of such Liens and security interests to third parties.

(4) The Reorganized Debtor shall cause the Issuer to issue the Series 2021 Bonds, the primary economic terms of which are set forth in the Restructuring Term Sheet. The issuance of the Series 2021 Bonds and Series 2021 Notes for distribution under the Plan is authorized without the need for further corporate action by the Reorganized Debtor, and all of the Series 2021 Notes issued or issuable under the Plan shall be duly authorized and validly issued under the Plan.

(5) The Reorganized Debtor shall cause to be delivered customary legal opinions and other documents in connection with the issuance of the Series 2021 Bonds, in form and substance acceptable to the Bond Trustee, including, without limitation, (a) the Opinion of Bond Counsel described in the 2021 Bond Documents, and (b) a lender's title policy with respect to the real property securing the Reorganized Debtor's obligations under the 2021 Bond Documents, and the first mortgage position of the Bond Trustee, subject to such exceptions as are reasonably acceptable to the Bond Trustee.

(6) The offering, issuance, and distribution of the Series 2021 Bonds and Series 2021 Notes issued under the Plan, if applicable, shall be exempt from, among other things, the registration requirements of the Securities Act of 1933 (as amended, the "Securities Act"), and under section 1145(a)(1) of the Bankruptcy Code. Any and all Series 2021 Bonds issued under the Plan will be freely tradable under the Securities Act by the recipients thereof, subject to all other applicable laws, statutes or regulations.

(7) On or as soon as practicable after the Effective Date, the Litigation Trust Contribution Amount shall be funded from the Debtor's Available Cash. The Litigation Trust Contribution Amount shall be used by the Litigation Trustee to satisfy the reasonable fees and expenses of the Litigation Trust, the Litigation Trustee, and any Litigation Trustee Professionals. In the event such reasonable fees and expenses are less than \$50,000, then any remaining funds in the Litigation Trust shall be distributed in the order of priority set forth in the Distribution Waterfall

in the Restructuring Term Sheet. The Contributed Causes of Action shall be irrevocably transferred to and vest in the Litigation Trust as provided herein.

Section 6.02 Sources of Consideration for Plan Distributions

The Reorganized Debtor shall fund distributions under this Plan and the Litigation Trust Contribution Amount with (a) Available Cash, including Cash from operations and the DIP Facility; and (b) proceeds from the issuance of the Series 2021A Bonds. Distributions on behalf of Allowed Class 7 General Unsecured Claims shall be made only from Litigation Trust Distributable Cash.

On the Effective Date, the Restructuring Funds shall be established pursuant to the terms and conditions of the 2021 Bond Documents. On the Effective Date, the Series 2021A Bonds shall be issued as current paying bonds in the principal amount of \$28,500,000. The Series 2021A-1 Bonds shall be tax exempt and the Series 2021A-2 Bonds shall be taxable. The Series 2021A Bonds will be privately placed with certain members of the Steering Committee. The Series 2021A Bonds shall bear interest at 7.5% per annum. The Holders of the Series 2021A Bonds shall be paid interest only for the first four (4) years, with a maturity in sixteen (16) years. The 2021A Bonds shall be secured by a first-priority security interest against substantially all Assets of the Reorganized Debtor. An agreed amortization schedule for the Series 2021A Bonds is set forth on Schedule A to the Restructuring Term Sheet.

A more detailed description of the Restructuring Funds, and distributions therefrom, is set forth in the Restructuring Term Sheet.

Section 6.03 Litigation Trust

1. Funding and Transfer of Contributed Causes of Action. Between the date of entry of the Disclosure Statement Order and the Confirmation Date, the Debtor shall promptly provide, subject to any privilege, the Creditors' Committee with documents and other relevant information relating to the Contributed Causes of Action and, if requested by the Creditors' Committee, shall submit an agreed order to the Bankruptcy Court granting the Creditors' Committee standing to file an adversary proceeding regarding the Contributed Causes of Action in the Bankruptcy Court prior to the Effective Date. On the Effective Date, the Debtor and the Estate shall preserve, irrevocably transfer, and assign the Contributed Causes of Action to the Litigation Trust. On or as soon as practicable after the Effective Date, the Reorganized Debtor shall fund the Litigation Trust Contribution Amount from Available Cash. The Litigation Trustee may be able to supplement this initial funding through settlement payments and the collection of judgments, by borrowing funds to finance litigation, or by retaining contingent fee counsel. For the avoidance of doubt, only the Contributed Causes of Action shall be transferred to the Litigation Trust and the Litigation Trustee shall have no power or authority to bring any other Cause of Action, including, without limitation, any action against any of the Released Parties.

2. Beneficiaries and Distributions. Any distributions made by the Litigation Trust shall be made first to the Holders of Allowed Class 4 Pre-Effective Date Refund Queue Claims and to the Holders of Allowed Class 7 General Unsecured Claims (collectively, the "Litigation Trust Beneficiaries"), which shall share Pro Rata in any Litigation Trust Distributable Cash. Upon

satisfaction in full of all Allowed Class 4 Pre-Effective Date Refund Queue Claims and the Allowed Class 7 General Unsecured Claims, distributions from the Litigation Trust shall be distributed to the Reorganized Debtor which shall deposit such funds in the Revenue Fund and be subject to the order of priority set forth in the Distribution Waterfall in the Restructuring Term Sheet. The Litigation Trustee may, pursuant to the Litigation Trust Agreement and the Plan, make interim distributions to the Litigation Trust Beneficiaries in the exercise of reasonable business judgment.

3. Management and Oversight. The Litigation Trust shall be administered by the Litigation Trustee, who shall be selected by the Creditors' Committee and disclosed in the Plan Supplement. On the Effective Date, in accordance with section 1141 of the Bankruptcy Code, all Contributed Causes of Action shall automatically vest in the Litigation Trust. The Litigation Trust shall be established for the sole purpose of prosecuting the Contributed Causes of Action and distributing the proceeds thereof in accordance with the Plan and the Litigation Trust Agreement, with no objective to continue or engage in the conduct of a trade or business.

4. Authority. The Litigation Trustee shall, subject to the terms of the Litigation Trust Agreement, have full power, authority, and standing to prosecute, compromise, or otherwise resolve the Contributed Causes of Action. The Litigation Trust, acting by and through the Litigation Trustee pursuant to the Litigation Trust Agreement, shall be authorized to exercise and perform all rights and powers held by the Debtor and the Estate concerning the Contributed Causes of Action with respect to the Litigation Trust, including the authority under section 1123(b)(3) of the Bankruptcy Code. The Reorganized Debtor, the Estate and any other Released Parties shall not be subject to any Claim (including any counterclaim) with respect to the Contributed Causes of Action.

5. Retention of Professionals. The Litigation Trustee may retain and reasonably compensate counsel and other professionals to assist in its duties on such terms as the Litigation Trustee deems appropriate without Bankruptcy Court approval.

Section 6.04 Vesting of Assets in the Reorganized Debtor

Except as otherwise provided in the Plan or any agreement, instrument, or other document incorporated herein, including the Liens and security interests granted under the 2021 Bond Documents as such Liens and security interests continue to secure the obligations related to the 2021 Bonds, on the Effective Date, all property in the Estate (excluding Contributed Causes of Action), and any property acquired by the Debtor under the Plan shall vest in the Reorganized Debtor, free and clear of all Liens, Claims, charges, or other encumbrances. On and after the Effective Date, except as otherwise provided in the Plan, the Reorganized Debtor may operate its business and may use, acquire, or dispose of property and compromise or settle any Claims without supervision or approval by the Bankruptcy Court and consistent with the provisions of the Plan subject to the terms and conditions of the 2021 Bond Documents. The Reorganized Debtor shall operate without any restrictions of the Bankruptcy Code or the Bankruptcy Rules.

Section 6.05 Preservation of Rights of Action; Settlement

Except to the extent such rights, Claims, Causes of Action, defenses, and counterclaims are otherwise disposed of or treated in the Plan, or are expressly and specifically released in connection with the Plan, and/or Confirmation Order, or in any settlement agreement approved during the chapter 11 Case, or in any contract, instrument, release, indenture or other agreement entered into in connection with the Plan, including the release of all claims and other causes of action against the Trustee and the Bondholders, the Special Residents Committee and the Creditors' Committee and their professionals, in accordance with Bankruptcy Code section 1123(b): any and all rights, Claims, Retained Causes of Action (including Retained Avoidance Actions and Contributed Causes of Action), Greystone Claims, defenses, and counterclaims of or accruing to the Debtor or its Estate shall be preserved by the Reorganized Debtor, whether or not litigation relating thereto is pending on the Effective Date, and whether or not any such rights, Claims, Causes of Action, defenses and counterclaims have been Scheduled, listed or referred to in the Plan, the Bankruptcy Schedules, or any other document Filed with the Bankruptcy Court; and (b) the Reorganized Debtor does not waive, relinquish, or abandon (nor shall it be estopped or otherwise precluded from asserting) any right, Claim, Cause of Action, defense, or counterclaim that constitutes property of the Estate: (i) whether or not such right, Claim, Cause of Action, defense, or counterclaim has been listed or referred to in the Plan, the Bankruptcy Schedules, the Bankruptcy SOFAs, or any other document Filed with the Bankruptcy Court; (ii) whether or not such right, Claim, Cause of Action, defense, or counterclaim is currently known to the Debtor; and (iii) whether or not a defendant in any litigation relating to such right, Claim, Cause of Action, defense or counterclaim Filed a Proof of Claim in the chapter 11 Case, Filed a notice of appearance or any other pleading or notice in the chapter 11 Case, voted for or against the Plan, or received or retained any consideration under the Plan. Without in any manner limiting the generality of the foregoing, notwithstanding any otherwise applicable principle of law or equity, without limitation, any principles of judicial estoppel, res judicata, collateral estoppel, issue preclusion, or any similar doctrine, the failure to list, disclose, describe, identify, or refer to a right, Claim, Cause of Action, defense, or counterclaim, or potential right, Claim, Cause of Action, defense, or counterclaim, in the Plan, the Bankruptcy Schedules, or any other document Filed with the Bankruptcy Court shall in no manner waive, eliminate, modify, release, or alter the right of the Reorganized Debtor or the Litigation Trustee, solely with respect to the Contributed Causes of Action, as applicable, to commence, prosecute, defend against, settle, and realize upon any rights, Claims, Causes of Action, defenses, or counterclaims that the Debtor has, or may have, as of the Effective Date. The Reorganized Debtor or the Litigation Trustee, solely with respect to the Contributed Causes of Action, as applicable, may commence, prosecute, defend against, settle, and realize upon any rights, Claims, Causes of Action, defenses, and counterclaims, in their sole discretion, in accordance with what is in the best interest and benefit of the beneficiaries of the Plan.

Section 6.06 Governance Documents

On the Effective Date, the Governance Documents of the Reorganized Debtor shall be amended and restated as necessary to effectuate the Plan in form and substance reasonably acceptable to the Bond Trustee.

Section 6.07 Directors of the Reorganized Debtor

The board of The Buckingham is self-perpetuating. As of the Effective Date, the Debtor's current members of the board of directors as of the Petition Date shall be removed and replaced by a new five-member board of directors, which individuals shall serve as the board of directors of the Reorganized Debtor (the "Buckingham Board"). The Debtor's bylaws will be amended to provide that one member of the Buckingham Board shall be selected by the Creditors' Committee and may be a Current Resident or a Former Resident (the "Resident Board Seat") and such person or their successor shall remain on the Buckingham Board until Allowed Class 4 Pre-Effective Refund Queue Claims are satisfied in full. The Debtor's bylaws shall further provide a mechanism reasonably acceptable to the Creditor's Committee for the designation of a successor of the original Creditors' Committee's designated member. The individuals serving on the Buckingham Board shall be disclosed in the Plan Supplement. From and after the Effective Date, the Buckingham Board shall serve pursuant to the terms of the Reorganized Debtor's charters and bylaws or other formation and constituent documents, and the applicable laws of the Reorganized Debtor's jurisdiction of formation.

Section 6.08 Directors and Officers Insurance Policies

Notwithstanding anything in the Plan to the contrary, the Reorganized Debtor shall be deemed to have assumed all of the Debtor's D&O Liability Insurance Policies under section 365(a) of the Bankruptcy Code effective as of the Effective Date. Entry of the Confirmation Order will constitute the Bankruptcy Court's approval of the Reorganized Debtor's foregoing assumption of the unexpired D&O Liability Insurance Policies. Notwithstanding anything to the contrary contained in the Plan, Confirmation of the Plan shall not discharge, impair, or otherwise modify any indemnity obligations assumed by the foregoing assumption of the D&O Liability Insurance Policies, and each such indemnity obligation will be deemed and treated as an Executory Contract that has been assumed by the Debtor under the Plan as to which no Proof of Claim need be Filed.

Section 6.09 Other Insurance Policies

On the Effective Date, the Debtor's other Insurance Policies in existence as of the Effective Date shall be reinstated and continued in accordance with their terms and, to the extent applicable, shall be deemed assumed by the Reorganized Debtor under section 365 of the Bankruptcy Code. Nothing in the Plan shall affect, impair, or prejudice the rights of the insurance carriers, the insureds, or the Reorganized Debtor under the Insurance Policies in any manner, and such insurance carriers, the insureds, and the Reorganized Debtor shall retain all rights and defenses under such Insurance Policies. The Insurance Policies shall apply to and be enforceable by and against the insureds and the Reorganized Debtor in the same manner and according to the same terms and practices applicable to the Debtor, as existed prior to the Effective Date. Following the Effective Date, the Debtor's Insurance Policies shall comply with all applicable covenants set forth in the 2021 Bond Documents.

Section 6.10 Cancellation of Existing Secured Claims

Upon the Effective Date, except to the extent otherwise specifically provided in the Plan and in exchange for the consideration under the Plan, including, but not limited to the receipt of

the 2021 Bonds, all notes, instruments, certificates, and other documents evidencing the Secured Bonds, shall be cancelled and the obligations of the Debtor or the Reorganized Debtor thereunder or in any way related thereto shall be discharged and the Bond Trustee shall be automatically and fully discharged from all duties and obligations thereunder. All existing security interests and/or Liens and/or any other Secured Claims related to the Secured Bonds shall also be automatically released, discharged, terminated, and of no further force and effect as of the Effective Date. Notwithstanding the foregoing, following confirmation or the occurrence of the Effective Date, any credit document or agreement that governs the rights of any Holder of a Claim related to the Secured Bonds shall continue in effect for purposes of (a) allowing Holders of such Allowed Claims to receive Distributions under the Plan; (b) allowing and preserving the rights of the agents or representative of Holders of such Claims to make Distributions on account of such Allowed Claims, as provided herein; (c) preserving all exculpations under the Plan; (d) allowing the Trustee to enforce any rights and obligations (except against the Debtor or the Reorganized Debtor) owed to it under the Master Indenture, the Bond Indentures, the Loan Agreements, the Plan or the Confirmation Order, including the right of the Trustee to be compensated for fees and reimbursed for expenses, including expenses of its professionals, to assert its charging lien, to enforce its indemnity and other rights and protections with respect to and pursuant to such documents; and (e) permitting the Bond Trustee to appear and be heard in the Chapter 11 Case, or in any proceeding in the Bankruptcy Court or any other court.

Section 6.11 Authorization for Transaction

Upon the Effective Date or as soon as reasonably practicable thereafter, the Debtor or the Reorganized Debtor, as applicable, may take all actions as may be necessary or appropriate to effect any transaction described in, approved by, contemplated by, or necessary to effectuate the Plan or the Restructuring Transaction, including: (a) the execution and delivery of appropriate agreements or other documents of financing and restructuring containing terms that are consistent with the terms of the Plan and that satisfy the requirements of applicable law; (b) the execution and delivery of appropriate instruments of transfer, assignment, assumption, or delegation of any property, right, liability, duty, or obligation on terms consistent with the terms of the Plan; (c) the filing of appropriate certificates of incorporation, merger, or consolidation with the appropriate governmental authorities pursuant to applicable law; and (d) all other actions that the Debtor determines are necessary or appropriate, including the making of filings or recordings in connection with the Restructuring Transaction, which actions may be set forth in a Plan Supplement Exhibit.

Section 6.12 Corporate Action

Upon the Effective Date, all actions contemplated by the Plan shall be deemed authorized, approved, and, to the extent taken prior to the Effective Date, ratified without any requirement for further action by Holders of Claims, directors, managers, or officers of the Debtor, the Reorganized Debtor, or any other Entity, including: (a) assumption of Executory Contracts; (b) selection of the directors, managers, and officers for the Reorganized Debtor; (c) the execution of and entry into the 2021 Bond Documents; (d) the issuance and distribution of the Series 2021 Bonds as provided herein; and (e) all other acts or actions contemplated or reasonably necessary or appropriate to promptly consummate the transactions contemplated by the Plan, including the Restructuring Transaction (whether to occur before, on, or after the Effective Date). All matters provided for in

the Plan involving the company structure of the Reorganized Debtor and any action required by the Debtor or Reorganized Debtor, as applicable, in connection therewith shall be deemed to have occurred on and shall be in effect as of the Effective Date without any requirement of further action by the security holders, directors, managers, authorized Persons, or officers of the Debtor or Reorganized Debtor, as applicable.

On the Effective Date, to the extent applicable, the appropriate officers, directors, managers, or authorized Persons of the Debtor or Reorganized Debtor, as applicable (including any president, vice-president, chief executive officer, treasurer, general counsel, or chief financial officer thereof), shall be authorized and directed to issue, execute, and deliver the agreements, documents, securities, certificates of incorporation, certificates of formation, bylaws, operating agreements, and instruments contemplated by the Plan (or necessary or desirable to effect the transactions contemplated by the Plan) in the name of and on behalf of the Debtor or the Reorganized Debtor, as applicable, including (a) the 2021 Bond Documents, (b) the Series 2021 Bonds and (c) any and all other agreements, documents, securities, and instruments relating to the foregoing. The authorizations and approvals contemplated by the Plan shall be effective notwithstanding any requirements under non-bankruptcy law.

Section 6.13 Exclusivity Period

The Debtor shall retain the exclusive right to amend or modify the Plan, and to solicit acceptances of any amendments to or modifications of the Plan, through and until the earlier of (a) the Effective Date; and (b) the expiration of the Debtor's exclusive period to solicit acceptances of the Plan under Bankruptcy Code section 1121(d).

Section 6.14 Effectuating Documents; Further Transactions

Prior to, on, and after the Effective Date, as applicable, the Debtor's or Reorganized Debtor's directors, officers, authorized persons, and members of the boards of directors (the "Authorized Persons") shall be authorized to execute, deliver, file, or record on behalf of the Debtor or Reorganized Debtor, as applicable, such contracts, instruments, releases, indentures, and other agreements or documents, and take such actions as may be necessary or appropriate to effectuate and further evidence the terms and conditions of the Plan, the Restructuring Transaction, the Plan Documents and the 2021 Bond Documents. The Authorized Persons shall also be authorized to certify or attest to any of the foregoing actions. The Debtor and the Reorganized Debtor are authorized to perform such obligations under the Plan and the 2021 Bond Documents.

Section 6.15 Exemption from Certain Transfer Taxes

Pursuant to Bankruptcy Code section 1146(a), the issuance, transfer, or exchange of a security, or the making of delivery of an instrument of transfer, may not be taxed under any law imposing a stamp tax or similar tax, and the Confirmation Order shall direct that the appropriate state or local governmental officials or agents shall forego the collection of any such tax or governmental assessment and further, that they accept for Filing and recordation any of the foregoing instruments or other documents without the payment of any such tax or governmental assessment.

Section 6.16 Reorganized Debtor Closing of the Chapter 11 Case

Once (a) the Bankruptcy Court has adjudicated all Professional Fee Claims seeking final allowance of compensation for services and reimbursement of expenses Filed by Professionals, and issuance of a Final Order for each application and all payments have been made consistent with the related Bankruptcy Court orders; and (b) all Disputed Claims filed against the Debtor have become Allowed Claims or have been Disallowed by Final Order or otherwise pursuant to the Plan, and all appropriate Plan Distributions have been made pursuant to the Plan, the Reorganized Debtor shall seek authority to close the Debtor's chapter 11 Case in accordance with the Bankruptcy Code and the Bankruptcy Rules.

ARTICLE VII

PROVISIONS GOVERNING DISTRIBUTIONS GENERALLY

Section 7.01 Distributions on Account of the Secured Bond Claims

The following provisions of Section 7 shall not apply to holders of Class 2 Secured Bond Claims, which holders shall receive their distributions in accordance with the Restructuring Term Sheet.

Section 7.02 Distributions on Account of Allowed Claims

Any payments or distributions to be made by the Reorganized Debtor to holders of Claims as required by the Plan shall be made only to the holders of Allowed Claims. No payments or other distributions of property shall be made on account of any Claim or portion thereof unless and until such Claim or portion thereof is Allowed. No distribution will be made on account of a Claim to the extent that such Claim has been Disallowed, released, withdrawn, waived, settled, or otherwise satisfied or paid, including, without limitation, payments by third-party guarantors, sureties, or insurers, whether governmental or nongovernmental. The Reorganized Debtor may establish reserves for Disputed Claims, and defer or delay distributions consistent with the terms of the Plan to ensure an equitable and ratable distribution to holders of Allowed Claims, in accordance with the terms of the Plan. The Reorganized Debtor will make no distributions upon a Claim held by a party against whom the Reorganized Debtor asserts any Avoidance Action until resolution of the Avoidance Action by settlement or judgment or as otherwise provided by Bankruptcy Court Order.

Section 7.03 Date of Distributions on Account of Allowed Claims

Except as otherwise specifically provided herein, or in the Restructuring Term Sheet, any distributions and delivery to be made under the Plan shall be made on the Effective Date or as soon as practicable thereafter. In the event that any payment or act under the Plan is required to be made or performed on a date that is not a Business Day, then the making of such payment or the performance of such act may be completed on the next succeeding Business Day, but shall be deemed to have been completed as of the required date. Any payment, delivery or distribution by the Reorganized Debtor or the Litigation Trustee pursuant to the Plan, to the extent delivered by the United States mail, shall be deemed made when deposited by the Reorganized Debtor or the Litigation Trustee, respectively, into the United States mail. Distributions or deliveries required

to be made by the Plan on a particular date shall be deemed to have been made on such date if actually made on such date or as soon thereafter as practicable taking into account the need to establish reserves and account for Disputed Claims.

Section 7.04 Method of Cash Distributions

Any Cash payment to be made pursuant to the Plan may be made by Cash, draft, check, wire transfer, or as otherwise required or provided in any relevant agreement or applicable law at the option of and in the sole discretion of the Reorganized Debtor.

Section 7.05 Failure to Negotiate Checks

Checks issued in respect of distributions under the Plan shall be null and void if not negotiated within sixty (60) days after the date of issuance. The Reorganized Debtor shall hold any amounts returned in respect of such non-negotiated checks. The Holder of an Allowed Claim with respect to which such check originally was issued shall make requests for reissuance for any such check directly to the Reorganized Debtor. All amounts represented by any voided check will be held until the later of one (1) year after (a) the Effective Date; and (b) the date that a particular Claim is Allowed by Final Order, and all requests for reissuance by the Holder of the Allowed Claim in respect of a voided check are required to be made before such date. Thereafter, all such amounts shall be deemed to be "Unclaimed Property," and all Claims in respect of void checks and the underlying distributions shall be forever barred, estopped and enjoined from assertion in any manner against the Reorganized Debtor.

Section 7.06 Fractional Dollars

Notwithstanding any other provision of the Plan, Cash distributions of fractions of dollars will not be made; rather, whenever any payment of a fraction of a dollar would be called for, the actual payment made shall reflect a rounding of such fraction to the nearest whole dollar (up or down), with half dollars being rounded down. To the extent that Cash remains undistributed as a result of the rounding of such fraction to the nearest whole cent, such Cash shall be treated as Unclaimed Property pursuant to the Plan.

Section 7.07 Compliance with Tax Requirements

With respect to any Person from whom a tax identification number, certified tax identification number or other tax information required by law has not been received by the Reorganized Debtor within thirty (30) days from the date of such request (the "Initial Request"), the Reorganized Debtor may, at its option, withhold the amount required to such Person and decline to make such distribution until the information is received. Failure of any Person to provide the information requested within six months of the Initial Request shall result in the forfeit of the affected distribution and the treatment of said distribution as Unclaimed Property.

Section 7.08 De Minimis Distributions

No Cash payment of less than twenty (\$20.00) dollars shall be made to the Holder of any Claim on account of its Allowed Claim.

Section 7.09 Setoffs

Except with respect to the Allowed Secured Bond Claims, the Debtor or the Reorganized Debtor may, but shall not be required to, set off against any Claims and the payments or distributions to be made pursuant to the Plan in respect of such Claims, any and all debts, liabilities and Claims of every type and nature whatsoever that the Estate or the Debtor may have against the Holder of any Claim, but neither the failure to do so nor the Allowance of any such Claims, whether pursuant to the Plan or otherwise, shall constitute a waiver or release by the Debtor of any such Claims the Debtor may have against such Holder of any Claim, and all such Claims shall be reserved for and retained by the Reorganized Debtor.

Section 7.10 Distribution Record Date

As of the Distribution Record Date, other than with respect to any publicly held securities, all transfer ledgers, transfer books, registers and any other records maintained by the designated transfer agents with respect to ownership of any Claims will be closed and, for purposes of the Plan, there shall be no further changes in the record holders of such Claims. The Reorganized Debtor shall have no obligation to recognize the transfer of any Claims occurring after the Distribution Record Date, and will be entitled for all purposes to recognize and deal only with the Holder of any Claim as of the close of business on the Distribution Record Date, as reflected on the ledgers, books, registers or records of the Debtor or Reorganized Debtor, as applicable.

Section 7.11 Distributions Free and Clear

Except as may be otherwise provided herein, all Distributions under the Plan shall be free and clear of any Liens, Claims, and interests.

ARTICLE VIII

EXECUTORY CONTRACTS, UNEXPIRED LEASES, AND OTHER AGREEMENTS

Section 8.01 Assumption/Rejection

1. **Assumption of Current Residence Agreements.** On the Effective Date, the Debtor shall assume the Current Residence Agreements of the Current Residents living in the Facility on the Effective Date, with no modification thereto, but only to the extent (a) such Residence Agreements remain executory pursuant to section 365 of the Bankruptcy Code; and (b) such Residence Agreement (1) is not the subject of a motion to reject Filed on or before the Confirmation Date; or (2) has not been previously rejected or assumed. Upon the Debtor's assumption, the Assumed Residence Agreements will remain in full force and effect, and the non-debtor counterparties to such contracts shall retain all of their rights and privileges and have all liabilities and obligations under their respective Current Residence Agreement, as applicable, including any right to a Refund Claim.

The Debtor will provide notice to the non-debtor counterparties of its intent to assume the Current Residence Agreements, along with the proposed Cure Costs, if any, no later than twenty-eight (28) days prior to the Plan Objection Deadline. Any party objecting to the assumption of the Current Residence Agreements shall File a detailed statement setting forth the basis supporting its

objection no less than seven (7) days before the Confirmation Hearing. The Bankruptcy Court shall determine any dispute as to the assumption of any Current Residence Agreement at the Confirmation Hearing, unless the Debtor and the non-debtor counterparty agree otherwise.

2. **Rejection of Former Residence Agreements.** While the Debtor does not believe that the Former Residence Agreements are Executory Contracts, to the extent that such Former Residence Agreements remain executory pursuant to section 365 of the Bankruptcy Code, on the Effective Date, the Former Residence Agreements shall be rejected.

3. **Additional Agreements.** In addition to the Current Residence Agreements, the Debtor will provide notice to the non-debtor counterparties of its intent to assume the Proposed Assumed Contracts, including the Insurance Policies (the "Proposed Assumed Contracts"), along with the proposed Cure Costs, if any, no later than twenty-eight (28) days prior to the Plan Objection Deadline. Any party objecting to the assumption of the Proposed Assumed Contracts shall File a detailed statement setting forth its basis supporting the objection no less than seven (7) days before the Confirmation Hearing. The Bankruptcy Court shall determine any dispute as to the assumption of any Proposed Assumed Contract at the Confirmation Hearing, unless the Debtor and the non-debtor counterparty agree otherwise.

On the Effective Date, and to the extent permitted by applicable law, all of the Debtor's Additional Agreements will be rejected unless such Additional Agreement: (a) is an Assumed Contract; (b) is the subject of a motion to assume Filed on or before the Confirmation Date; or (c) has been previously rejected or assumed.

Section 8.02 Cure Amounts

1. **Current Residence Agreements.** The Debtor or Reorganized Debtor, as applicable, shall pay all Cure Costs, if any, required to assume the Assumed Residence Agreements under sections 365(b)(1)(A) and (B) of the Bankruptcy Code, and the Reorganized Debtor shall be responsible for all post-Effective Date liabilities in connection with the Assumed Residence Agreements (the "Resident Agreement Amounts"). The Debtor will provide notice to the non-debtor counterparties of its intent to assume the Current Residence Agreements, along with the proposed Cure Costs, if any, no later than twenty-eight (28) days prior to the Plan Objection Deadline. Any party objecting to the proposed Cure Costs shall File a detailed statement setting forth its basis supporting the objection no less than seven (7) days before the Confirmation Hearing. The Bankruptcy Court shall determine the proper amount of the Cure Costs at the Confirmation Hearing, unless the Debtor and the non-debtor counterparty agree otherwise. The fixing of the Cure Costs shall constitute the Debtor's right to assume the Assumed Residence Agreements under sections 365(c) and (f) of the Bankruptcy Code.

2. **Additional Agreements.** The Debtor or Reorganized Debtor, as applicable, shall pay all Cure Costs, if any, required to assume the Assumed Contracts under sections 365(b)(1)(A) and (B) of the Bankruptcy Code, and the Reorganized Debtor shall be responsible for all post-Effective Date liabilities in connection with the Assumed Contracts (the "Assumed Contract Amounts"). The Debtor will provide notice to the non-debtor counterparties of its intent to assume the Assumed Contracts, along with the proposed Cure Costs, no later than twenty-eight (28) days prior to the Plan Objection Deadline. Any party objecting to the proposed Cure Costs shall File a

detailed statement setting forth its reason no less than seven (7) days before the Confirmation Hearing. The Bankruptcy Court shall determine the proper amount of the Cure Costs at the Confirmation Hearing, unless the Debtor and the non-debtor counterparty agree otherwise. The fixing of the Cure Costs shall constitute the Debtor's right to assume the Assumed Contracts under Bankruptcy Code sections 365(c).

Section 8.03 Assumed Executory Contracts and Unexpired Leases

Each Assumed Residence Agreement and Assumed Contract will include (a) all amendments, modifications, supplements, restatements, or other agreements made directly or indirectly by any agreement, instrument, or other document that in any manner affect such executory contract or unexpired lease; and (b) with respect to any executory contract or unexpired lease that relates to the use, ability to acquire, or occupancy of real property, all executory contracts or unexpired leases and other rights appurtenant to the property, including all easements, licenses, permits, rights, privileges, immunities, options, rights of first refusal, powers, uses, usufructs, reciprocal easement agreements, vaults, tunnel or bridge agreements or franchises, and any other equity interest in real estate or rights in rem related to such premises, unless any of the foregoing agreements have been rejected pursuant to an Order of the Bankruptcy Court or are the subject of a motion to reject Filed on or before the Confirmation Date.

Amendments, modifications, supplements, and restatements to executory contracts and unexpired leases that have been executed by the Debtor during its chapter 11 Case shall not be deemed to alter the pre-petition nature of the executory contract or unexpired lease, or the validity, priority, or amount of any Claims that may arise in connection therewith.

Section 8.04 Insurance Policies

All Insurance Policies pursuant to which the Debtor has any obligations in effect as of the date of the Effective Date will be deemed and treated as executory contracts pursuant to the Plan and will be assumed by the Reorganized Debtor as set forth in the Plan.

Section 8.05 Pass-through

Except as otherwise provided in the Plan, any rights or arrangements necessary or useful to the administration of the Estate but not otherwise addressed as a Claim and other executory contracts not assumable under Bankruptcy Code section 365(c), shall, in the absence of any other treatment under the Plan, and/or the Confirmation Order, be passed through the chapter 11 Case unaltered and unaffected for the benefit of the Reorganized Debtor and the counterparty.

Section 8.06 Claims Based on Rejection of Executory Contracts and Unexpired Leases

Unless otherwise provided by Bankruptcy Court Order, except for Claims otherwise Allowed under the Plan, any Claim arising from the Debtor's rejection of an executory contract and/or unexpired lease must be Filed and served on the Debtor or Reorganized Debtor, as applicable, no later than thirty (30) days after the later of the Effective Date or the date a Final Order is entered granting the rejection. Any Claim arising from the rejection of the Debtor's executory contracts or unexpired leases that are not timely Filed and served shall be Disallowed automatically, forever barred from assertion, and shall not be enforceable against the Debtor, the

Reorganized Debtor, the Estate, or its successors and assigns, without the need for any objection by any Person or further notice to or action, Order, or approval of the Bankruptcy Court, and any Claim arising out of the rejection of the executory contract or unexpired lease shall be deemed fully satisfied, released, and discharged, notwithstanding anything in the Bankruptcy Schedules or a Proof of Claim to the contrary.

All Allowed Claims arising from the rejection of the Debtor's Additional Agreements shall be classified as General Unsecured Claims and shall be treated in accordance with the provisions of the Plan; *provided however*, if the Holder of an Allowed Claim for rejection damages has an unavoidable security interest in any Collateral to secure obligations under such rejected executory contract or unexpired lease, the Allowed Claim for rejection damages shall be treated as an Other Secured Claim to the extent of the value of such Holder's interest in the Collateral, with the deficiency, if any, treated as a General Unsecured Claim.

Section 8.07 Reservation of Rights

Nothing contained in the Plan shall constitute an admission by the Debtor that any such Residence Agreement or Additional Agreement is in fact an executory contract or unexpired lease or that the Debtor has any liability thereunder. If there is a dispute regarding whether a contract or lease is or was executory or unexpired at the time of assumption or rejection, the Debtor or the Reorganized Debtor, as applicable, shall have thirty (30) days following entry of a Final Order resolving such dispute to alter and to provide appropriate treatment of such contract or lease.

Section 8.08 Nonoccurrence of Effective Date

In the event that the Effective Date does not occur, the Bankruptcy Court shall retain jurisdiction with respect to any request by the Debtor to extend the deadline for assuming or rejecting executory contracts and unexpired leases pursuant to section 365(d)(4) of the Bankruptcy Code.

ARTICLE IX

PROCEDURES FOR RESOLVING DISPUTED, CONTINGENT, AND UNLIQUIDATED CLAIMS

Section 9.01 Expunging of Certain Claims

Except as otherwise provided by a Bankruptcy Court Order, all Claims marked or otherwise Scheduled as contingent, unliquidated or disputed on the Bankruptcy Schedules and for which no Proof of Claim has been timely filed, shall be deemed Disallowed Claims and such Claims shall be expunged as of the Bar Date without the necessity of filing a Claim objection and without further notice to, or action, Order or approval of the Bankruptcy Court.

Section 9.02 Objections to Claims

1. **Authority.** The Debtor or the Reorganized Debtor (as applicable) shall have the exclusive authority to File, settle, compromise, withdraw, or litigate to judgment any and all objections to Claims. Except as set forth above, from and after the Effective Date, the Reorganized

Debtor may settle or compromise any Disputed Claim with the reasonable consent of the Trustee and without approval of the Bankruptcy Court. Except as set forth above, the Reorganized Debtor also shall have the right, but not the obligation, to resolve any Disputed Claim outside the Bankruptcy Court under applicable governing law.

2. **Objection Deadline.** As soon as practicable, but no later than the Claim Objection Deadline, the Debtor or the Reorganized Debtor (as applicable) may File objections and serve such objections on the Creditors holding the Claims to which such objections are made. Nothing contained herein, however, shall limit the right of the Debtor or the Reorganized Debtor to object to Claims Filed or amended after the Claim Objection Deadline. The Claim Objection Deadline may be extended by the Bankruptcy Court only upon motion brought by either the Debtor or the Reorganized Debtor.

Section 9.03 Estimation of Claims

The Reorganized Debtor may at any time request that the Bankruptcy Court estimate any such Disputed Claim for Distribution purposes pursuant to Bankruptcy Code section 502(c), regardless of whether the Reorganized Debtor or the Debtor have previously objected to such Claim or whether the Bankruptcy Court has ruled on any objection, and the Bankruptcy Court will retain jurisdiction to estimate any Claim at any time during litigation concerning any objection to any Claim, including during the pendency of any appeal related to any such objection. In the event the Bankruptcy Court estimates any Disputed Claim, that estimated amount will constitute the maximum limitation on such Claim, as determined by the Bankruptcy Court and the Reorganized Debtor may elect to pursue any supplemental proceedings to object to any ultimate payment on such Claim. All of the aforementioned objection, estimation and resolution procedures are cumulative and are not exclusive of one another.

Section 9.04 No Distributions Pending Allowance

Notwithstanding any other provision of the Plan, no payments or distributions shall be made with respect to all or any portion of a Disputed Claim unless and until all objections to such Disputed Claim have been settled or withdrawn or have been determined by Final Order, and the Disputed Claim, or some portion thereof, has become an Allowed Claim.

Section 9.05 Distributions After Allowance

The Reorganized Debtor shall make payments and distributions from the appropriate Distribution Reserve Account to each Holder of a Disputed Claim that has become an Allowed Claim in accordance with the provisions of the Plan governing the class of Claims to which such Holder belongs. As soon as reasonably practicable after the date that the Order or judgment of the Bankruptcy Court allowing all or part of any Disputed Claim becomes a Final Order, the Reorganized Debtor shall distribute to the Holder of such Claim the distribution (if any) that would have been made to such Holder on the Distribution Date had such Allowed Claim been Allowed on the Distribution Date. After a Disputed Claim is Allowed or otherwise resolved, the excess Cash or other property that was reserved on account of such Disputed Claim, if any, shall vest in the Reorganized Debtor for the benefit of other Allowed Claims.

Section 9.06 Reduction of Claims

Notwithstanding the contents of the Bankruptcy Schedules or the Bankruptcy SOFAs, and except with respect to the Bond Claims, Claims listed therein as undisputed, liquidated and not contingent shall be reduced by the amount, if any, that was paid by the Debtor before the Effective Date, including pursuant to any Order of the Bankruptcy Court. To the extent such payments are not reflected in the Bankruptcy Schedules or the Bankruptcy SOFAs, such Bankruptcy Schedules and Bankruptcy SOFAs will be deemed amended and reduced to reflect that such payments were made. Nothing in the Plan shall preclude the Reorganized Debtor from paying the Claims that the Debtor was authorized to pay pursuant to any Final Order entered by the Bankruptcy Court before the Effective Date.

ARTICLE X

CONDITIONS PRECEDENT TO CONFIRMATION AND CONSUMMATION OF THE PLAN

Section 10.01 Conditions Precedent to Confirmation

The following are conditions precedent to the occurrence of Confirmation, each of which must be satisfied or waived in writing in accordance with the terms of the Plan:

(1) The Bankruptcy Court shall have entered an Order, in form and substance reasonably acceptable to the Debtor, approving the adequacy of the Disclosure Statement, and such Order shall have become a Final Order.

(2) The Confirmation Order approving and confirming the Plan, as such Plan may have been modified, amended or supplemented, shall be in form and substance reasonably acceptable to the Debtor, the Bond Trustee and the Creditors' Committee.

(3) There shall be no default or Event of Default (as defined in the DIP Orders) under the DIP Orders or the DIP Facility Loan Agreement, or such default shall have been waived.

Section 10.02 Occurrence of the Effective Date

The following are conditions precedent to the occurrence of the Effective Date, each of which must be satisfied or waived in writing in accordance with the terms of Section 10.04 below:

(1) The Confirmation Order shall have been entered in form and substance reasonably acceptable to the Debtor, the Bond Trustee and the Creditors' Committee, and such Order shall have become a Final Order.

(2) There shall not be in effect any Order entered by any Court of any competent jurisdiction, any Order, opinion, ruling or other decision entered by any administrative or governmental entity, or applicable law, staying, restraining, enjoining or otherwise prohibiting or making illegal the consummation of any of the transaction(s) contemplated by the Plan.

(3) The conditions to effectiveness of the 2021 Bond Documents shall have been satisfied (or waived in the sole discretion of the Trustee) and the Restructuring Transaction shall have closed.

(4) All actions, documents, certificates, and agreements necessary to implement the Plan, including, without limitation, 2021 Bond Documents, shall be in a form and substance reasonably acceptable to the Bond Trustee and shall have been executed by and delivered to the required parties and, to the extent required, filed with the applicable governmental units in accordance with applicable law.

(5) All requisite governmental authorities and appropriate third parties shall have approved or consented, to the extent required, to all actions, documents, certificates, and agreements necessary to implement the Plan.

(6) All action, documents and agreements necessary to create the Litigation Trust and transfer the Contributed Causes of actions, shall be in a form and substance reasonably acceptable to the Creditor's Committee and shall have been executed and delivered to the Litigation Trustee together with the Initial Litigation Trust Contribution.

Section 10.03 Substantial Consummation

On the Effective Date, the Plan shall be deemed to be substantially consummated under Bankruptcy Code sections 1101 and 1127(b).

Section 10.04 Waiver of Conditions

Except with respect to matters related to the Litigation Trust, each of the conditions set forth above may be waived in whole or in part by the Debtor with the prior written consent of the Bond Trustee, which consent shall not be unreasonably withheld. The failure to satisfy or waive any condition to Confirmation or the Effective Date may be asserted by the Debtor or the Reorganized Debtor, as applicable, or the Bond Trustee regardless of the circumstances giving rise to the failure of such condition to be satisfied.

Section 10.05 Revocation, Withdrawal, or Non-Consummation

The Debtor reserves the right to revoke or withdraw the Plan at any time before the Confirmation Date and to File a subsequent plan of reorganization. For each revoked or withdrawn plan, or if Confirmation or Consummation of a plan does not occur, then, with respect to any such revoked or withdrawn Plan, (a) the Plan shall be null and void in all respects; (b) any settlement or compromise embodied in the Plan (including the fixing, allowance or limiting to an amount certain of any Claim or Class of Claims), unless otherwise agreed to by the Debtor and any counterparty to such settlement or compromise, and any document or agreement executed pursuant to the Plan, including the plan support agreement entered into between the Consenting Holders and the Debtor (the "Plan Support Agreement"), shall be deemed null and void; and (c) nothing contained in the Plan, and no acts taken in preparation for Consummation of the Plan, shall (1) constitute or be deemed to constitute a waiver or release of any Claims by or against the Debtor or any other Person, (2) prejudice in any manner the rights of the Debtor or any Person in any further

proceedings involving the Debtor; or (3) constitute an admission of any sort by the Debtor or any other Person.

ARTICLE XI

AMENDMENTS AND MODIFICATIONS

The Debtor may alter, amend, or modify the Plan, the Plan Documents, or any Exhibits or supplements thereto under Bankruptcy Code section 1127(a) at any time before the Confirmation Date; *provided, however*, that where the Plan requires a document to be acceptable to, consented to, agreed to or otherwise satisfactory to Bond Trustee, the Debtor may not modify such document without the written consent of Bond Trustee. Further, if any amendment, modification or supplement to the Plan (including the Plan Supplement or a modification described herein) or any Exhibit hereto or thereto is made without the prior written consent of the Bond Trustee, then notwithstanding any other agreement to the contrary, the Bond Trustee and the Steering Committee shall have no obligation to support, or take any actions in support of, the Plan. After the Confirmation Date and before “substantial consummation” of the Plan, as defined in Bankruptcy Code section 1101(2), the Debtor may, under Bankruptcy Code section 1127(b), institute proceedings in the Bankruptcy Court to remedy any defect or omission or reconcile any inconsistencies in the Plan, the Disclosure Statement, or the Confirmation Order, and such matters as may be necessary to carry out the purposes and effects of the Plan, so long as such proceedings do not materially adversely affect the treatment of Holders of Claims under the Plan; *provided, however*, that prior notice of such proceedings shall be served in accordance with the Bankruptcy Rules or Order of the Bankruptcy Court.

ARTICLE XII

RETENTION OF JURISDICTION

Under Bankruptcy Code sections 105(a) and 1142, and notwithstanding entry of the Confirmation Order and occurrence of the Effective Date, the Bankruptcy Court shall retain exclusive jurisdiction over all matters arising out of, or related to, the chapter 11 Case and the Plan, other than rights and obligations arising under the 2021 Bond Documents, to the fullest extent permitted by law, including, among other things, jurisdiction to:

1. Allow, disallow, determine, liquidate, classify, estimate or establish the priority or Secured or unsecured status of any Claim, including the resolution of any request for payment of any Administrative Claim and the resolution of any objections to the Secured or unsecured status, priority, amount or allowance of Claims;
2. Hear and determine all applications for compensation and reimbursement of expenses of Professionals under Bankruptcy Code sections 327, 328, 330, 331, 503(b), 1103 or 1129(a)(4); *provided, however*, that from and after the Effective Date, the payment of fees and expenses of Professionals retained by the Debtor and/or the Reorganized Debtor shall be made in the ordinary course of business and shall not be subject to the approval of the Bankruptcy Court except as otherwise set forth in the Plan;

3. Hear and determine all matters with respect to the assumption or rejection of any executory contract or unexpired lease to which the Debtor is a party or with respect to which the Debtor may be liable, including, if necessary, the nature or amount of any required cure or the liquidating of any Claims arising therefrom;
4. Hear and determine any and all adversary proceedings, motions, applications, and contested or litigated matters arising out of, under, or related to, the chapter 11 Case;
5. Enter and enforce such Orders as may be necessary or appropriate to execute, implement, or consummate the provisions of the Plan and all contracts, instruments, releases, and other agreements or documents created in connection with the Plan, the Disclosure Statement, and/or the Confirmation Order;
6. Hear and determine disputes arising in connection with the interpretation, implementation, Consummation, or enforcement of the Plan, including disputes arising under agreements, documents or instruments executed in connection with the Plan;
7. Consider any modifications of the Plan, cure any defect or omission, or reconcile any inconsistency in any Order of the Bankruptcy Court, including, without limitation, the Confirmation Order;
8. Issue injunctions, enter and implement other Orders, or take such other actions as may be necessary or appropriate to restrain interference by any entity with implementation, Consummation, or enforcement of the Plan, and/or the Confirmation Order;
9. Enter and implement such Orders as may be necessary or appropriate if the Confirmation Order is for any reason reversed, stayed, revoked, modified, or vacated;
10. Hear and determine any matters arising in connection with or relating to the Plan, the Disclosure Statement, the Confirmation Order or any other contract, instrument, release, or other agreement or document created in connection with the Plan, the Disclosure Statement, and/or the Confirmation Order;
11. Enforce all Orders, judgments, injunctions, releases, exculpations, indemnifications and rulings entered in connection with the chapter 11 Case or pursuant to the Plan;
12. Recover all Assets of the Debtor and property of the Estate, wherever located;
13. Hear and determine matters concerning state, local, and federal taxes in accordance with Bankruptcy Code sections 346, 505, and 1146;
14. Hear and determine all disputes involving the existence, nature, or scope of any releases or injunctions granted in the Plan;
15. Hear and determine such other matters as may be provided in the Confirmation Order or as may be authorized under, or not inconsistent with, provisions of the Bankruptcy Code;
16. Enter an Order or final decree concluding or closing the chapter 11 Case; and

17. Enforce all Orders previously entered by the Bankruptcy Court in connection with or otherwise related to this Bankruptcy Case.

ARTICLE XIII

EFFECT OF THE PLAN ON CLAIMS

Section 13.01 Compromise and Settlements

Except for those Contributed Causes of Action which shall be transferred to the Litigation Trust as set forth herein, pursuant to Bankruptcy Code section 363 and Bankruptcy Rule 9019, and in consideration for the classification, distribution and other benefits provided under the Plan, the provisions of the Plan shall constitute a good faith compromise and settlement of all Claims and controversies resolved pursuant to the Plan, including, without limitation, all Claims arising before the Petition Date, whether known or unknown, foreseen or unforeseen, asserted or unasserted, arising out of, relating to or in connection with the business or affairs of, or transactions with, the Debtor. The entry of the Confirmation Order shall constitute the Bankruptcy Court's approval of each of the foregoing compromises or settlements, and all other compromises and settlements provided for in the Plan, and the Bankruptcy Court's findings shall constitute its determination that such compromises and settlements are in the best interest of the Debtor, the Estate, Creditors and other parties-in-interest, and are fair, equitable and within the range of reasonableness.

Section 13.02 Satisfaction of Claims

The rights afforded in the Plan and the treatment of all Claims herein shall be in exchange for and in complete satisfaction, discharge, and release of all Claims of any nature whatsoever against the Debtor, the Reorganized Debtor or its Estate, Assets, properties, or interests in real or personal property. The treatment set forth in the Plan is in full and complete satisfaction of the legal, contractual, and equitable rights that each Person holding a Claim may have in or against the Debtor, the Reorganized Debtor or the Debtor's Estate. This treatment supersedes and replaces any agreements or rights that any Person may have in or against the Debtor, the Reorganized Debtor, the Estate, or their respective property. Except as otherwise provided in the Plan and/or the Confirmation Order, including but not limited to obligations relating to the 2021 Bond Documents, on the Effective Date, all Claims against the Debtor shall be satisfied and released in full. Neither the Debtor nor its Affiliates, shall be responsible for any pre-Effective Date obligations of the Debtor, except those expressly assumed by the Debtor and not assigned to the Reorganized Debtor. Except as otherwise provided in the Plan, and/or the Confirmation Order, all Persons and Entities shall be precluded and forever barred from asserting against the Debtor and its Affiliates, its successors or assigns, or its Estate, Assets, properties, or interest in property any event, occurrence, condition, thing, or other or further Claims or Causes of Action based upon any act, omission, transaction, or other activity of any kind or nature that occurred or came into existence before the Effective Date, whether or not the facts of or legal bases therefore were known or existed before the Effective Date.

Section 13.03 Releases

1. **Releases by Debtor and Estate.** Pursuant to section 1123(b) of the Bankruptcy

Code, and except as otherwise expressly provided in the Plan, and/or the Confirmation Order, for good and valuable consideration, including the service of the Released Parties to facilitate the expeditious formulation and implementation of the Plan and the Consummation of the Transactions contemplated by the Plan, on the Effective Date, for good and valuable consideration, to the fullest extent permissible under applicable law, the Debtor, on its own behalf and as representative of its Estate, and each of its respective Related Persons, shall, and shall be deemed to, completely and forever release, waive, void, and extinguish unconditionally, each and all of the Released Parties of and from any and all Claims, Causes of Action (including any Avoidance Actions), any and all other obligations, suits, judgments, damages, debts, rights, remedies, and liabilities of any nature whatsoever, and any and all interests or other rights of a Holder of an equity security or other ownership interest, whether liquidated or unliquidated, fixed or contingent, matured or unmatured, known or unknown, foreseen or unforeseen, then existing or thereafter arising, in law, equity or otherwise that are or may be based in whole or part on any act, omission, transaction, event or other circumstance taking place or existing on or before the Effective Date (including before the Petition Date) in connection with or related to the Debtor, or its respective Assets, operations, finances, property and Estate, the chapter 11 Case or the negotiation, formulation or preparation of the Plan, the Disclosure Statement, any Plan Supplement or related agreements, instruments or other documents, the DIP Facility, the Disclosure Statement or the Transaction that may or could have been asserted by or on behalf of the Debtor, or its Estate; *provided, however*, that the Debtor, its Estate and their respective Related Persons shall not release the Greystone Claims under this Plan. For the avoidance of doubt, Contributed Causes of Action shall not be released under the Plan, but shall be transferred to the Litigation Trust as set forth herein.

2. Releases by Holders of Claims. PURSUANT TO SECTION 1123(B) OF THE BANKRUPTCY CODE, AND EXCEPT AS OTHERWISE EXPRESSLY PROVIDED IN THE PLAN, AND/OR THE CONFIRMATION ORDER, FOR GOOD AND VALUABLE CONSIDERATION, INCLUDING THE SERVICE OF THE RELEASED PARTIES TO FACILITATE THE EXPEDITIOUS FORMULATION AND IMPLEMENTATION OF THE PLAN AND THE CONSUMMATION OF THE TRANSACTIONS CONTEMPLATED BY THE PLAN, ON THE EFFECTIVE DATE, FOR GOOD AND VALUABLE CONSIDERATION, TO THE FULLEST EXTENT PERMISSIBLE UNDER APPLICABLE LAW, (A) EACH RELEASED PARTY AND (B) EACH PERSON THAT (1) HAS HELD, CURRENTLY HOLDS OR MAY HOLD A CLAIM OR ANY OTHER OBLIGATION, SUIT, JUDGMENT, DAMAGES, DEBT, RIGHT, REMEDY, CAUSE OF ACTION OR LIABILITY OF ANY NATURE WHATSOEVER; AND (2) DOES NOT AFFIRMATIVELY OPT-OUT OF THIS RELEASE ON A TIMELY SUBMITTED BALLOT SHALL BE DEEMED TO COMPLETELY AND FOREVER RELEASE, WAIVE, VOID, AND EXTINGUISH UNCONDITIONALLY EACH AND ALL OF THE RELEASED PARTIES OF AND FROM ANY AND ALL CLAIMS, ANY AND ALL OTHER OBLIGATIONS, SUITS, JUDGMENTS, DAMAGES, DEBTS, RIGHTS, REMEDIES, CAUSES OF ACTION AND LIABILITIES OF ANY NATURE WHATSOEVER (INCLUDING, WITHOUT LIMITATION, THOSE ARISING UNDER THE BANKRUPTCY CODE), WHETHER LIQUIDATED OR UNLIQUIDATED, FIXED OR CONTINGENT, MATURED OR UNMATURED, KNOWN OR UNKNOWN, FORESEEN OR UNFORESEEN, THEN EXISTING OR THEREAFTER ARISING, IN LAW, EQUITY OR OTHERWISE THAT ARE OR MAY BE BASED IN WHOLE OR

PART ON ANY ACT, OMISSION, TRANSACTION, EVENT OR OTHER CIRCUMSTANCE TAKING PLACE OR EXISTING ON OR BEFORE THE EFFECTIVE DATE (INCLUDING BEFORE THE PETITION DATE) IN CONNECTION WITH OR RELATED TO THE DEBTOR, OR ITS RESPECTIVE ASSETS, OPERATIONS, FINANCES, PROPERTY AND ESTATE, THE CHAPTER 11 CASE, OR THE NEGOTIATION, FORMULATION OR PREPARATION OF THE PLAN, THE DISCLOSURE STATEMENT, ANY PLAN SUPPLEMENT OR RELATED AGREEMENTS, INSTRUMENTS OR OTHER DOCUMENTS, THE DIP FACILITY, THE DISCLOSURE STATEMENT OR THE TRANSACTION. NOTWITHSTANDING THE FOREGOING OR ANY OTHER PROVISION HEREIN, (I) NO RELEASED PARTY SHALL BE RELEASED FROM ANY ACTS CONSTITUTING CRIMINAL CONDUCT, WILLFUL MISCONDUCT FRAUD, OR GROSS NEGLIGENCE; (II) CONTRIBUTED CAUSES OF ACTION SHALL NOT BE RELEASED; AND (III) THE DEBTOR, ITS ESTATE, AND THEIR RESPECTIVE RELATED PERSONS SHALL NOT RELEASE THE GREYSTONE CLAIMS.

3. **Injunction Related to Releases.** Except as provided in the Plan, and/or the Confirmation Order, as of the Effective Date, (i) all Persons that hold, have held, or may hold a Claim or any other obligation, suit, judgment, damages, debt, right, remedy, Causes of Action or liability of any nature whatsoever, relating to the Debtor or its Assets, property and/or Estate, that is released pursuant to the Plan, (ii) all other parties-in-interest, and (iii) each of the Related Persons of each of the foregoing entities, are, and shall be, permanently, forever and completely stayed, restrained, prohibited, barred and enjoined from taking any of the following actions, whether directly or indirectly, derivatively or otherwise, on account of or based on the subject matter of such released or enjoined Claims or other obligations, suits, judgments, damages, debts, rights, remedies, Causes of Action or liabilities: (i) commencing, conducting or continuing in any manner, directly or indirectly, any suit, action or other proceeding (including, without limitation, any judicial, arbitral, administrative or other proceeding) in any forum; (ii) enforcing, attaching (including, without limitation, any prejudgment attachment), collecting, or in any way seeking to recover any judgment, award, decree, or other Order; (iii) creating, perfecting or in any way enforcing in any matter, directly or indirectly, any Lien; (iv) commencing or continuing in any manner, in any place of any judicial, arbitration or administrative proceeding in any forum, that does not comply with or is inconsistent with the provisions of the Plan and/or the Confirmation Order.

4. **Deemed Consent.** Each Person that does not submit a Ballot affirmatively opting out of the releases contained herein shall, and shall be deemed, to the fullest extent permitted by applicable law, to have specifically consented to the releases set forth in this Section 13.03.

5. **Plan Obligations.** Notwithstanding the foregoing, nothing in this Section shall release any Released Party or other Person from its respective rights and obligations under the Plan, the Confirmation Order or the 2021 Bond Documents.

Section 13.04 Exculpation

The Released Parties **SHALL NOT BE LIABLE FOR ANY** Cause of Action arising in connection with or out of the administration of the chapter 11 Case, the planning of the chapter 11 Case, the formulation, negotiation or implementation of the Plan, the good faith solicitation of acceptances of the Plan in accordance with Bankruptcy Code section 1125(e), pursuit of Confirmation of the Plan, the Consummation of the Plan, or the administration of the Plan or the Assets to be distributed under the Plan, except for gross negligence or willful misconduct as determined by a Final Order of the Bankruptcy Court (or other court of competent jurisdiction). All Holders of Claims are enjoined from asserting or prosecuting any Claim or Cause of Action against any protected Person as to which such Released Party has been exculpated from liability pursuant to the preceding sentence.

Section 13.05 Permanent Injunction

As of the Effective Date, and except with respect to obligations relating to the 2021 Bond Documents, in each case whether or not: (i) a Proof of Claim based upon such debt, right, Claim is Filed or deemed Filed pursuant to Bankruptcy Code section 501; (ii) a Claim based upon such Claim, debt, right, or Interest is Allowed pursuant to Bankruptcy Code section 502; or (iii) the Holder of such a Claim has accepted the Plan, and in Order to, *inter alia*, preserve and promote the settlements contemplated by and provided for in the Plan, except as otherwise expressly provided in the Plan, and/or the Confirmation Order, all Persons and any Person claiming by or through them, which have held or asserted, which currently hold or assert or which may hold or assert any Claims or any other obligations, suits, judgments, damages, debts, rights, remedies, Causes of Action or liabilities of any nature whatsoever against any of the Released Parties based upon, attributable to, arising out of or relating to any Claim against the Debtor, whenever and wherever arising or asserted, whether in the United States or anywhere else in the world, whether sounding in tort, contract, warranty or any other theory of law, equity or admiralty shall be, and shall be deemed to be, permanently stayed, restrained and enjoined from taking any action against any of the Released Parties, and/or their successors and assigns, for the purpose of directly or indirectly collecting, recovering or receiving any payment or recovery with respect to any such Claims or other obligations, suits, judgments, damages, debts, rights, remedies, Causes of Action or liabilities arising before the Effective Date (including before the Petition Date), including, but not limited to:

- (i) **commencing or continuing in any manner any action or other proceeding of any kind with respect to any such Claims or other obligations, suits, judgments, damages, debts, rights, remedies, Causes of Action or liabilities against any of the Released Parties or the Assets or property of any Released Party;**
- (ii) **enforcing, attaching, collecting or recovering, by any manner or means, any judgment, award, decree or Order against any of the Released Parties or the Assets or property of any Released Party with respect to any such Claims or other obligations, suits, judgments, damages, debts, rights, remedies, Causes of Action or liabilities;**

- (iii) creating, perfecting or enforcing any Lien of any kind against any of the Released Parties or the Assets or property of any Released Party with respect to any such Claims or other obligations, suits, judgments, damages, debts, rights, remedies, Causes of Action or liabilities;
- (iv) except as otherwise expressly provided in the Plan, and/or the Confirmation Order, asserting, implementing or effectuating any setoff, right of subrogation, indemnity, contribution or recoupment of any kind against any obligation due to any of the Released Parties or against the property of any Released Party with respect to any such Claims or other obligations, suits, judgments, damages, debts, rights, remedies, Causes of Action or liabilities; and
- (v) taking any act, in any manner, in any place whatsoever, that does not conform to, or comply with, the provisions of the Plan, the Plan Supplement, and/ or the Confirmation Order relating to such Claims or other obligations, suits, judgments, damages, debts, rights, remedies, Causes of Action or liabilities.

1. **No Waiver.** Notwithstanding anything to the contrary contained in the Plan, the releases and injunctions set forth in the Plan shall not, and shall not be deemed to, limit, abridge or otherwise affect the rights of the Reorganized Debtor to sue on, settle or compromise the rights, Claims and other matters expressly retained by the Reorganized Debtor pursuant to the Plan and/or the Confirmation Order.

2. **Bankruptcy Rule 3016 Compliance.** The Debtor's compliance with the formal requirements of Bankruptcy Rule 3016(c) shall not constitute an admission that the Plan provides for an injunction against conduct not otherwise enjoined under the Bankruptcy Code.

3. **Integral to Plan.** Each of the injunctions provided in the Plan is an integral part of the Plan and is essential to its implementation. Each of the Released Parties and all other Persons protected by the injunctions provided in the Plan shall have the right to independently seek the enforcement of such injunctions.

Section 13.06 Setoffs

Except as otherwise expressly provided for in the Plan, and/or the Confirmation Order pursuant to the Bankruptcy Code (including Bankruptcy Code section 553), applicable non-bankruptcy law, or as may be agreed to by the Holder of a Claim (and exclusive of the Secured Bond Claims), the Debtor or the Reorganized Debtor, as applicable, may setoff against any Allowed Claim and the distributions to be made pursuant to the Plan on account of such Allowed Claim (before such distribution is made), any Claims, rights, and Causes of Action of any nature that such Debtor may hold against the Holder of such Allowed Claim to the extent such Claims, rights, or Causes of Action against such Holder have not been otherwise compromised or settled on or before the Effective Date (whether pursuant to the Plan or otherwise); *provided, however*, that neither the failure to effect such a setoff nor the allowance of any Claim pursuant to the Plan shall constitute a waiver or release by the Debtor of any such Claims, rights, and Causes of Action

that the Debtor may possess against such Holder. In no event shall any Holder of Claims be entitled to setoff or offset any Claim against any Claim, right, or Cause of Action of the Debtor or its successors or assigns unless such Holder has Filed a motion with the Bankruptcy Court requesting the authority to perform such setoff within thirty (30) days of the Effective Date, and notwithstanding any indication in any Proof of Claim or otherwise that such Holder asserts, has, or intends to preserve any right of setoff or offset pursuant to Bankruptcy Code section 553 or otherwise. **Failure by a Holder of Claims to assert the right to setoff or recoupment within this thirty (30) day period shall result in the permanent waiver of such right to setoff by the Holder and the Claim will no longer be enforceable against the Debtor, Reorganized Debtor and, if applicable, any successors or assigns.**

Section 13.07 Recoupment

Except as provided in the Plan, and/or the Confirmation Order and except as required by any applicable law with respect to Centers for Medicare and Medicaid Services (“CMS”), any Holder of a Claim shall not be entitled to recoup any Claim against any Claim, right, or Cause of Action of the Debtor unless such Holder actually has performed such recoupment and provided notice thereof in writing to the Debtor within thirty (30) days of the Effective Date, notwithstanding any indication in any Proof of Claim or otherwise that such Holder asserts, has, or intends to preserve any right of recoupment. **Except as provided in this paragraph, failure by a Holder of Claims to assert the right to recoupment within this thirty (30) day period shall result in a permanent waiver of the right to setoff or recoupment by the Holder and the Claim will no longer be enforceable against the Debtor, its successors or assigns.**

Section 13.08 Release of Liens

Except as otherwise provided in the Plan, the 2021 Bond Documents or in any contract, instrument, release, or other agreement or document created pursuant to the Plan, on the Effective Date and concurrently with the applicable distributions made pursuant to the Plan and, in the case of a Secured Claim, satisfaction in full of the portion of the Secured Claim that is Allowed as of the Effective Date, all mortgages, deeds of trust, Liens, pledges, or other security interests against any property of the Debtor’s Estate shall be fully released, and all of the right, title, and interest of any Holder of such mortgages, deeds of trust, Liens, pledges, or other security interests shall revert to the Debtor and its successors and assigns.

Section 13.09 Good Faith

As of the Confirmation Date, the Debtor shall be deemed to have solicited acceptance or rejections of the Plan in good faith and in compliance with the applicable provisions of the Bankruptcy Code.

ARTICLE XIV

MISCELLANEOUS PROVISIONS

Section 14.01 Severability of Plan Provisions

If, before Confirmation, any term or provision of the Plan is held by the Bankruptcy Court

to be invalid, void or unenforceable, the Bankruptcy Court, at the request of the Debtor, shall have the power to alter and interpret such term or provision to make it valid or enforceable to the maximum extent practicable, consistent with the original purpose of the term or provision held to be invalid, void or unenforceable, and such term or provision shall then be applicable as altered or interpreted. Notwithstanding any such holding, alteration or interpretation, the remainder of the terms and provisions of the Plan shall remain in full force and effect and shall in no way be affected, impaired or invalidated by such holding, alteration or interpretation. The Confirmation Order shall constitute a judicial determination and shall provide that each term and provision of the Plan, as it may have been altered or interpreted in accordance with the foregoing, is valid and enforceable pursuant to its terms.

Section 14.02 Confidentiality of Information Related to Patient Care Ombudsman

Except as otherwise ordered by the Bankruptcy Court, no Person may seek discovery in any form, including but not limited to, by motion, subpoena, notice of deposition or request or demand for production of documents, from any Patient Care Ombudsman or her agents, Professionals, employees, other representatives, designees, or assigns with respect to matters arising from or relating to the performance of the duties of the Patient Care Ombudsman in the chapter 11 Case, including, but not limited to, pleadings, reports, or other writings filed by the Patient Care Ombudsman in or in connection with the chapter 11 Case. Nothing herein shall, in any way, limit or otherwise affect the rights and obligations of any Patient Care Ombudsman under any Order of the Bankruptcy Court or under any confidentiality agreements, if any, between the Patient Care Ombudsman and any other Person or shall, in any way, limit or otherwise affect the Patient Care Ombudsman's obligation, under section 333(c)(1) of the Bankruptcy Code or other applicable law, to maintain patient information, including patient records, as confidential, and no such information shall be released by the Patient Care Ombudsman without further order of the Bankruptcy Court.

Section 14.03 Successors and Assigns

The rights, benefits and obligations of any Person named or referred to in the Plan, including any Holder of a Claim, shall be binding on, and shall inure to the benefit of, any heir, executor, administrator, successor or assign of such entity.

Section 14.04 Dissolution of the Creditors' Committee

On the Effective Date, the Creditors' Committee shall dissolve and all members, employees, or agents thereof shall be released and discharged from all rights and duties arising from or related to the chapter 11 Case.

Section 14.05 Discharge of Patient Care Ombudsmen's Duties

On the Effective Date, the Patient Care Ombudsman appointed by the Bankruptcy Court pursuant to section 333 of the Bankruptcy Code shall be deemed discharged and relieved of any further duties or authority.

Section 14.06 Binding Effect

In accordance with section 1141 of the Bankruptcy Code, the Plan shall be binding upon and inure to the benefit of the Debtor, all present and former Holders of Claims against the Debtor (whether or not the Claim of such Holder is impaired under the Plan and whether or not such Holder has filed a Proof of Claim or accepted the Plan), any Person acquiring property under the Plan, their respective successors and assigns, including, but not limited to, the Debtor, and all other parties-in-interest in the chapter 11 Case.

Section 14.07 Notices

Any notice, request, or demand required or permitted to be made or provided under the Plan to or upon the Debtor, the Bond Trustee, the Holders or the Reorganized Debtor shall be (a) in writing; (b) served by (i) certified mail, return receipt requested, (ii) hand delivery, (iii) overnight delivery service, (iv) first class mail, or (v) facsimile transmission; and (c) deemed to have been duly given or made when actually delivered or, in the Case of facsimile transmission, when received and telephonically confirmed, addressed as follows:

If to the Debtor or Reorganized Debtor:

Buckingham Senior Living Community, Inc.
Attention: Chair of the Board of Directors
8580 Woodway Drive
Houston, Texas 77063

With a copy to (which shall not constitute notice):

McGuireWoods LLP
Attn: Demetra Liggins
Address: JPMorgan Chase Tower
600 Travis Street, Suite 7500
Houston, TX, 77002-2906
Email: dliggins@mcguirewoods.com

If to the Bond Trustee or the Bondholders:

UMB Bank, N.A.
Attn: Virginia A. Housum
Address: 120 South Sixth Street, Suite 1400
Minneapolis, MN 55402
Email: Virginia.Housum@umb.com

With a copy to (which shall not constitute notice):

Mintz, Levin, Cohn, Ferris, Glovsky & Popeo, P.C.
Attn: Daniel S. Bleck
Address: 1 Financial Center,
Boston, MA 02111

Email: DSBleck@mintz.com

If to the Creditors' Committee:

Hunton Andrews Kurth LLP
Attn: Robin Russell
Address: 600 Travis Street, Suite 4200
Houston, Texas 77002
Email: RRussell@huntonak.com

Section 14.08 Term of Injunctions or Stay

Unless otherwise provided in the Plan, and/or Confirmation Order, all injunctions or stays provided for in the chapter 11 Case under Bankruptcy Code sections 105 or 362 or otherwise, and in existence on the Confirmation Date (excluding any injunctions or stays contained in the Plan or Confirmation Order), shall remain in full force and effect until the Effective Date. All injunctions or stays contained in the Plan, and/or Confirmation Order shall remain in full force and effect in accordance with their terms.

Section 14.09 No Admissions

Notwithstanding anything herein to the contrary, nothing in the Plan shall be deemed as an admission by the Debtor with respect to any matter set forth herein, including but not limited to liability on any Claim.

Section 14.10 Notice of the Effective Date

The Debtor or the Reorganized Debtor shall file on the docket of the Bankruptcy Court a *Notice of Effective Date* stating that (a) all conditions to the occurrence of the Effective Date have been satisfied or waived with the consent of the Bond Trustee; (b) the Effective Date has occurred and specifying the date thereof for all purposes under the Plan; and (c) setting forth the name, address and telephone number for the Reorganized Debtor.

Section 14.11 Default Under Plan

1. **Plan Default Notice.** Except or otherwise provided for in the Plan and except for any default under the 2021 Bond Documents, after the Effective Date, in the event of an alleged default by the Reorganized Debtor under the Plan, any party alleging such default shall provide written notice of default (the "Plan Default Notice") to the Reorganized Debtor at the address set forth in the Notice of Effective Date filed pursuant to the Plan, with a copy thereof to the Debtor's counsel and the Bond Trustee's counsel at the addresses set forth in the Plan, and shall contemporaneously file such Plan default notice with the Bankruptcy Court. The Reorganized Debtor shall have thirty (30) days from the receipt of a Plan Default Notice to cure any actual default that may have occurred.

2. **Cure.** The Reorganized Debtor and any other party-in-interest shall have the right to dispute an alleged default that has occurred and to notify the party alleging such default that the Reorganized Debtor (or such other party-in-interest) contends no default has occurred, with such

notice to be sent within the thirty-day period following receipt of a Plan Default Notice. In such event, the Bankruptcy Court shall retain jurisdiction over the dispute relating to the alleged default and the remedy with respect to any remedy therefore.

3. **Failure to Cure.** In the event the Reorganized Debtor (or any other party-in-interest) fails to either dispute the alleged default or timely cure such default, the party alleging such default shall be entitled to assert its rights under applicable law in the Bankruptcy Court.

Section 14.12 Governing Law

Unless a rule of law or procedure is supplied by federal law (including the Bankruptcy Code and Bankruptcy Rules), the laws of the State of Texas, without giving effect to the principles of conflicts of law thereof, shall govern the construction and implementation of the Plan and any agreements, documents, and instruments executed in connection with the Plan (except as otherwise set forth in those agreements, in which case the governing law of such agreement shall control) as well as corporate governance matters with respect to the Debtor.

Section 14.13 Plan Documents

The Plan Documents are incorporated herein and are a part of the Plan as set forth in full herein.

Section 14.14 Entire Agreement

The Plan and the Plan Documents set forth the entire agreement and understanding among the parties-in-interests relating to the subject matter hereof and supersede all prior discussions and drafts of documents they have exchanged in respect of the negotiation of the Plan and issues relating to the Case otherwise.

ARTICLE XV

CONFIRMATION REQUEST

The Debtor requests Confirmation of the Plan under Bankruptcy Code section 1129. If any Impaired Class does not accept the Plan pursuant to Bankruptcy Code section 1126, the Debtor requests Confirmation pursuant to Bankruptcy Code section 1129(b). In that event, the Debtor reserves the right to modify the Plan to the extent (if any) that Confirmation of the Plan under Bankruptcy Code section 1129(b) requires modification.

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Dated: September 19, 2021

BUCKINGHAM SENIOR LIVING
COMMUNITY, INC.



By: _____

Name: Michael Wyse

Title: Chairman of the Board

Exhibit A – Restructuring Term Sheet

RESTRUCTURING TERM SHEET

This Restructuring Term Sheet (this “**Term Sheet**”), dated as of September 19, 2021 (the “**Execution Date**”), sets forth certain of the principal terms and conditions of a financial restructuring (the “**Restructuring Transaction**”) of the outstanding indebtedness of Buckingham Senior Living Community, Inc. (“**Buckingham**”) including, without limitation, (i) Tarrant County Cultural Education Facilities Finance Corporation Retirement Facility Revenue Bonds (Buckingham Senior Living Community, Inc. Project), Series 2007 (the “**Series 2007 Bonds**”) issued pursuant to that certain Indenture of Trust dated as of July 1, 2007 (the “**2007 Original Indenture**”), between Tarrant County Cultural Education Facilities Finance Corporation (the “**Issuer**”) and UMB Bank, N.A., as successor trustee (the “**Trustee**”), (ii) Tarrant County Cultural Education Facilities Finance Corporation Retirement Facility Revenue Bonds (Buckingham Senior Living Community, Inc. Project), Series 2014 (the “**Series 2014 Bonds**”) issued pursuant to the 2007 Indenture, as supplemented by Supplement No. 1 to the Indenture of Trust, dated as of July 1, 2007 (the 2007 Original Indenture, as supplemented, the “**2007 Indenture**”) and (iii) Tarrant County Cultural Education Facilities Finance Corporation Retirement Facility Revenue Bonds (Buckingham Senior Living Community, Inc. Project), Series 2015A Fixed Rate, Series 2015B-1 Tax Exempt Mandatory Paydown Securities (TEMP- 80) and Series 2015B-2 Tax Exempt Mandatory Paydown Securities (TEMP- 50) (the “**Series 2015 Bonds**” and together with the Series 2007 Bonds and Series 2014 Bonds, the “**Existing Bonds**”) pursuant to that certain Indenture of Trust dated as of August 1, 2005 (the “**2015 Indenture**” and together with the 2007 Indenture, the “**Bond Indentures**”) between the Issuer and the Trustee.

The Restructuring Transaction contemplates, among other things, the issuance of new Series 2021A Bonds and an exchange (the “**Proposed Exchange**”) of the outstanding Existing Bonds in the aggregate principal amount of approximately \$140,340,000 for new Series 2021B Bonds (as such terms are hereinafter defined). This Term Sheet contemplates the consummation of the Restructuring Transaction through a Plan of Reorganization (the “**Plan**”) in the Chapter 11 proceeding of the Buckingham pending before the United States Bankruptcy Court for the Southern District of Texas, Houston Division as more fully described below.

This Term Sheet and the undertakings contemplated herein are subject in all respects to the negotiation, execution and delivery of mutually acceptable definitive documentation between Buckingham, the Issuer, the Bond Trustee, the Master Trustee (as defined below) and the members of an informal steering committee comprised of bondholders currently holding 69% of the outstanding aggregate principal amount of Bonds (the “**Steering Committee**”) and the solicitation process referenced herein.

THE TERM SHEET IS BEING PROVIDED AS PART OF A COMPREHENSIVE COMPROMISE AND SETTLEMENT, EACH ELEMENT OF WHICH IS CONSIDERATION FOR THE OTHER ELEMENTS AND AN INTEGRAL ASPECT OF THE PROPOSED RESTRUCTURING OF THE BONDS. THE TERM SHEET IS SUBJECT TO FEDERAL RULE OF EVIDENCE 408 AND COMPARABLE STATE STATUTES. NOTHING IN THE TERM SHEET SHALL CONSTITUTE OR BE CONSTRUED AS AN ADMISSION OF ANY FACT OR LIABILITY, A STIPULATION OR A WAIVER, AND EACH STATEMENT CONTAINED HEREIN IS MADE WITHOUT PREJUDICE, SOLELY FOR SETTLEMENT PURPOSES, WITH A FULL

RESERVATION AS TO ALL RIGHTS, REMEDIES AND DEFENSES OF BUCKINGHAM, THE TRUSTEE, THE MASTER TRUSTEE, THE STEERING COMMITTEE, AND ALL OTHER PARTIES.

Capitalized terms not otherwise defined herein shall have the meanings given to them in the Bond Indentures or that certain Master Trust Indenture dated as of July 1, 2007 (as amended and supplemented, the “*Master Indenture*”) among Buckingham, and UMB Bank, N.A., as successor master trustee (the “*Master Trustee*”).

Terms of Restructuring

Process	The parties will undertake to effect this restructuring through a consensual plan (the “ <i>Plan</i> ”) of reorganization under Chapter 11 of the United States Bankruptcy Code in a case (the “ <i>Bankruptcy Proceeding</i> ”) commenced by the Buckingham in the United States Bankruptcy Court for the Southern District of Texas (the “ <i>Bankruptcy Court</i> ”). As a part of this restructuring, Series 2021 Bonds will be issued pursuant to an Indenture of Trust (“ <i>2021 Indenture</i> ” and together with all related documents necessary for the issuance of the Series 2021 Bonds, the “ <i>2021 Bond Documents</i> ”) between the Issuer, the Buckingham and the Trustee. The Series 2021 Bonds (as defined below) will be issued after confirmation of the Plan and on the effective date of the Plan (the “ <i>Effective Date</i> ”).
Debtor-in-Possession Financing	Prior to the commencement of the Bankruptcy Proceeding, the Buckingham and the Master Trustee will enter into a mutually-satisfactory agreement (the “ <i>DIP Loan Agreement</i> ”) to provide the Buckingham post-petition financing in the amount up to \$5 million (the “ <i>DIP Loan</i> ”), the terms and conditions of which are contained in a separate term sheet.
Consensual Cash Collateral Agreement	Before the commencement of the Bankruptcy Proceeding, the Buckingham and the Master Trustee will enter into a mutually-satisfactory arrangement reflected in an agreed-cash collateral motion (the “ <i>Cash Collateral Motion</i> ”) and interim and final orders (the “ <i>Cash Collateral Orders</i> ”) relating to the Buckingham’s Post-Petition Date use of cash collateral.
Plan and Disclosure Statement	Before the commencement of the Bankruptcy Proceeding, the Buckingham shall provide copies of drafts of the Plan and related disclosure statement (the “ <i>Disclosure Statement</i> ”) and other pleadings, and documents, including the 2021 Bond Documents (collectively, the “ <i>Solicitation Documents</i> ”) to the Trustee for its review and consent. Any substantive amendments, modifications or supplements to the Solicitation Documents shall be reviewed by, and acceptable to, the

	Trustee; provided, however, that no amendment, modification, or supplement shall be materially different from the Term Sheet. The Buckingham will file the Solicitation Documents and 2021 Bond Documents that are acceptable to the Trustee and the Steering Committee, which contain the terms and conditions outlined in this Term Sheet, contemporaneously with the filing of the Bankruptcy Proceeding.
Series 2021A Bonds	The Series 2021A Bonds shall be issued as current paying bonds in the principal amount of \$28,500,000. There shall be a Series 2021A-1 Bonds which are tax-exempt and a Series 2021A-2 Bonds which are taxable. The Series 2021A Bonds will be privately placed with certain members of the Steering Committee. Proceeds of the Series 2021A Bonds shall fund (i) lobby refurbishment and capital expenditures in the amount of \$3.450 million, (ii) working capital in the approximate amount of \$13.650 million, (iii) a debt service reserve fund in the amount of \$8.442 million, (iv) a distribution to the Pre-Effective Date Refund Queue (as defined below) on the Effective Date in the amount equal to the unpaid amount of Charter Refund Obligations (as defined in the Plan), which amount shall not exceed \$2.366 million (the “Initial Queue Payment”), and (v) costs of issuance. To the extent that there are amounts held under the Bond Indentures and Master Indenture after fully funding the Debt Service Reserve Fund Requirement as set forth below under “Debt Service Reserve Fund”, the excess amount shall be used to reduce the par amount of the Series 2021A Bonds, dollar for dollar. The Series 2021A Bonds shall bear interest at 7.5% per annum. The Series 2021A Bonds shall be interest only for the first four years, with a maturity in 16 years. Amortization schedule for the Series 2021A Bonds is as set forth on Schedule “A” attached hereto. The Series 2021A Bonds will be subject to mandatory redemption from Excess Cash after repayment of the obligations and liabilities due and owing to the Pre-Effective Date Refund Queue. The Series 2021A-2 Bonds will be redeemed prior to the Series 2021A-1 Bonds.
Series 2021B Bonds Exchange	On the Effective Date, the holders of the Existing Bonds shall exchange the then outstanding Existing Bonds for Series 2021B Bonds (and together with the Series 2021A Bonds, the “Series 2021 Bonds”). The principal amount of the Series 2021B Bonds is equal to 100% of the principal amount of the Existing Bonds. Accrued and unpaid interest on the Existing Bonds will be cancelled on the Exchange Date.

	The Series 2021B Bonds will accrete interest at the minimum long-term applicable federal rate in effect on the Effective Date until the earlier of (i) 5 years from the Effective Date and (ii) the Pre-Effective Date Refund Queue being paid in full (the “Trigger Date”). Starting with the Trigger Date, the accreted principal amount will pay current interest at 5.0% until the Par Call Date (as defined below) and 5.625% thereafter. The Series 2021B Bonds will be interest only until year 17 and shall amortize from years 17 to 40. The amortization schedule for the Series 2021B Bonds is as set forth on Schedule “B” attached hereto. The Series 2021B Bonds will be subject to optional redemption prior to maturity commencing on the 5th year after the Effective Date at a redemption price of 105% in year 5, 104% in year 6, 103% in year 7, year 102% in year 8 and year 101% in year 9 and 100% in year 10 (year 10 is the “Par Call Date”) at a price equal to par. The Series 2021B Bonds will also be subject to mandatory redemption from Excess Cash after the Series 2021A Bonds are paid in full. Any mandatory redemption of the Series 2021B Bonds from Excess Cash or optional redemption shall be credited to reduce mandatory sinking fund redemptions pro rata in future years.
Priority/Security	The Series 2021A Bonds will be secured by a first priority lien on all assets of Buckingham and will be senior to the Series 2021B Bonds in repayment and security. The Series 2021B Bonds will be secured by a lien on all assets of Buckingham subordinate to the lien securing the Series 2021A Bonds. The Pre- Effective Date Refund Queue is unsecured.
Indenture Held/Buckingham Held Funds	
Operating Account	Upon the Effective Date, Buckingham shall hold and maintain an operating account (the “Operating Account”), which shall be subject to the lien of the Trustee under the 2021 Indenture pursuant to a deposit account control agreement with a depository bank that is reasonably acceptable to the Master Trustee. The Operating Account shall contain no more than 45 Days Cash on Hand as an unrestricted reserve amount funded as of the Effective Date (the “Unrestricted Reserve Amount”).
Revenue Fund	The 2021 Indenture shall establish a Revenue Fund with the Trustee, subject to the lien of the 2021 Indenture, pursuant to which all revenues and other income of Buckingham (the “Revenues”), shall, upon the Effective Date, be deposited into a revenue fund (the “Revenue Fund”). Funds from the Revenue Fund shall be withdrawn and disbursed pursuant to the Distribution Waterfall (as defined below).

Operating Reserve Fund	Upon the Effective Date, Buckingham shall maintain an Operating Reserve Fund with the Trustee, subject to the lien of the 2021 Indenture. The Operating Reserve Fund will be funded on the Effective Date from proceeds of the Series 2021A Bonds and cash available through the Distribution Waterfall on the Effective Date. The Operating Reserve Fund Requirement shall be 105 Days Cash on Hand (the “ <i>Operating Reserve Fund Requirement</i> ”).
Bond Fund	Upon the Effective Date, Buckingham shall establish a Bond Fund (the “ <i>Bond Fund</i> ”) under the 2021 Indenture, subject to the lien of the 2021 Indenture, with subaccounts for each series of Series 2021 Bonds. In accordance with the Distribution Waterfall below, the Bond Fund will receive monthly payments of principal and interest due and payable under the Series 2021 Bonds.
Repair and Replacement Fund	Proceeds of the Series 2021A Bonds issued for capital expenditures (lobby and unit refurbishment) will be deposited in the Repair and Replacement Fund and will expended in accordance with a budget consistent with Schedule “C” attached hereto. The Buckingham shall expend not more than the amount set forth in Schedule “C” hereto in each year for capital expenditures, provided that any unspent amounts in one year may be spent in later years.
Entrance Fees and Entrance Fee Fund	Any refund obligations that are Allowed Pre-Effective Date Refund Queue Claims (as defined in the Plan) and as further set forth in Exhibit D hereto are, collectively, the “<i>Pre-Effective Date Refund Queue</i>”. Any refund obligations that become due and owing after the Effective Date are, collectively, “<i>Post-Effective Date Refund Obligations</i>”. Amounts available to pay Pre-Effective Date Refund Queue obligations shall be as set forth in the Distribution Waterfall below, with any funds available to pay such amounts to be distributed on a pro rata basis to the holders of the Pre-Effective Date Refund Queue on a semi-annual basis. From and after the Effective Date, all Entrance Fees earned on move ins shall be deposited with the Trustee in the Entrance Fee Fund. Moneys in the Entrance Fee Fund shall be first used to pay refunds due and owing with respect to any Post-Effective Date Refund Obligations with any remaining amounts deposited into the Revenue Fund to be disbursed in accordance with the Distribution Waterfall. On the Effective Date, there shall be made a payment made to the Allowed Pre-Effective Date Refund Queue in an amount equal to the Initial Queue Payment.

	Entrance Fees shall be set forth in an Exhibit to the new Bond Documents. Neither the Buckingham nor the Manager shall be permitted to discount or provide incentives equivalent to discounts except as agreed to by the Majority Holders. Permitted Discounts to be discussed in the context of the projections and Solutions Advisors recommendations.
Debt Service Reserve Fund	Upon the Effective Date, Buckingham shall establish a Debt Service Reserve Fund (the “<i>New Debt Service Reserve Fund</i>”) under the 2021 Indenture, subject to the lien of the 2021 Indenture. The New Debt Service Reserve Fund shall have three subaccounts for the Series 2021A-1 Bonds, Series 2021A-2 Bonds and Series 2021B Bonds. Proceeds of the Series 2021A Bonds shall fund the subaccount(s) for the Series 2021A Bonds. All amounts held by the Trustee in the Debt Service Reserve Fund with respect to the Existing Bonds, after the payment of the Trustee’s fees and expenses shall be transferred to the subaccount for the Series 2021B Bonds in the New Debt Service Reserve Fund up to the Debt Service Reserve Fund Requirement (as defined below). To the extent of any initial shortfall therein or deficiency, the subaccount for the Series 2021B Bonds in the New Debt Service Reserve Fund shall also be partially funded from the proceeds of the Series 2021A Bonds, any available cash on hand and also funded from the Distribution Waterfall. To the extent that there are amounts available after fully funding the Debt Service Reserve Fund Requirement, the excess amount shall be used to reduce the par amount of the Series 2021A Bonds, dollar for dollar. The New Debt Service Reserve Fund shall not become an asset of Buckingham, but shall remain funds held by the Trustee for the benefit of the holders of the Series 2021 Bonds. The aggregate Debt Service Reserve Fund Requirement shall equal \$11,586,000. A draw on the New Debt Service Reserve Fund shall constitute an Event of Default.
Distribution Waterfall	On the Effective Date, the balances of the Operating Account on the Effective Date and any Revenues available to Buckingham at such time, shall be applied in the following order of priority: 1. to pay all professional fees and expenses incurred in connection with the Restructuring Transaction (including, without limitation, any costs associated with obtaining opinions from bond counsel) subject to an agreed upon budget; 2. to fund the Unrestricted Reserve Amount in an amount equal to approximately 45 Days Cash on Hand; 3. to fund the Operating Reserve Fund up to 105 Days Cash on Hand;

	4. to fund the 2021B subaccount of the New Debt Service Reserve Fund up to the Debt Service Reserve Fund Requirement; 5. to fund the litigation trust (described below) in the amount of \$50,000. Thereafter, all post-Effective Date Revenues of Buckingham (other than Entrance Fees) shall be deposited in the Revenue Fund, as applicable; provided, however, that Revenues with respect to any government payor shall be deposited into an account in the name of Buckingham, and such Revenues shall be swept into the Revenue Fund on a weekly basis. Subject to the next sentence, amounts on deposit in the Revenue Fund shall be made available to Buckingham on a monthly basis to satisfy ongoing operations and management costs and expenses of Buckingham, including, without limitation, any management fees, budgeted capital expenditures relating to Buckingham (exclusive of those amounts to be drawn from the Repair and Replacement Fund) and replenishment up to the Unrestricted Reserve Amount (collectively, the “<i>Operating Expenses</i>”). On the first day of each calendar month, monies in the Revenue Fund shall be distributed in the following order of priority (the “<i>Distribution Waterfall</i>”): • First, to transfer to the Operating Account the amount certified by Buckingham (in a certificate setting forth in reasonable detail the projected application of the amount so certified) as necessary to pay anticipated Operating Expenses for the upcoming month (taking into account any unapplied amount withdrawn for such purpose in a prior month); • Second, to the Series 2021A Bonds subaccount of the Bond Fund, in an amount equal to 1/6th of the interest due on the next interest payment date; • Third, to the Series 2021A Bonds subaccount of the Bond Fund, in an amount equal to 1/12th of the principal due on the next principal payment date; • Fourth, if and to the extent payable within the next succeeding 6 month period, to the Series 2021B Bonds subaccount of the Bond Fund, in an amount equal to 1/6th of the interest due on the next interest payment date; • Fifth, to the Series 2021B Bonds subaccount of the Bond Fund, if and to the extent principal is due within the next 12 month period, in an amount equal to 1/12th of the principal due on the next principal payment date;

	• Sixth, to replenish any deficiency in the New Debt Service Reserve Fund necessary to make the amount therein equal the Debt Service Reserve Fund Requirement; and • Seventh, any remaining amounts after application of paragraphs first to sixth above (such remaining amounts referred to as “Excess Cash”) shall be transferred as follows: ○ Until the amount on deposit in the Operating Account and the Operating Reserve Fund (collectively, the “Operating Cash”) equals 135 Days Cash on Hand (tested as of the end of each fiscal quarter), to the Operating Reserve Fund, ○ Then, from the time the Operating Cash equals 135 Days Cash on Hand until the Pre-Effective Date Refund Queue is paid in the full, 100% of the Excess Cash in excess of 135 Days Cash on Hand to pay the Pre-Effective Date Refund Queue (payments shall be made on the Pre-Effective Date Refund Queue semi-annually upon determination of the Days Cash on Hand on each June 30 and December 31), ○ Once the Pre-Effective Date Refund Queue is paid in the full, 100% of the Excess Cash in excess of 135 Days Cash on Hand to redeem the Series 2021A-2 Bonds and then the Series 2021A-1 Bonds (redemptions shall occur semi-annually upon determination of the Days Cash on Hand on each June 30 and December 31), ○ Once the Series 2021A Bonds are paid in full, Excess Cash in excess of 135 Days Cash on Hand to redeem the Series 2021B Bonds (redemptions shall occur semi-annually upon determination of the Days Cash on Hand on each June 30 and December 31).
Operating/Financial Covenants	
Days Cash on Hand	Days Cash on Hand requirement of not less than (i) 65 Days Cash on Hand as of each of December 31, 2021, June 30, 2022 and December 31, 2022 and (ii) 100 Days Cash on Hand commencing on June 30, 2023 and on each Testing Date thereafter (each such requirement, the “DCOH Target”). Buckingham shall provide reporting of Days Cash on Hand quarterly, the Days Cash on Hand covenant will be tested semi-annually on each June 30 and December 31 (each, a “Testing Date”). “Days Cash on Hand” means, as of the date of calculation, the amount determined by dividing (a) the amount of Cash and Investments on such date by (b) Expenses (including interest on Indebtedness, but excluding

	(i) provisions for bad debt amortization, depreciation, or any other non-cash expenses and (ii) capital expenditures) as shown on the most recent annual audited financial statements (or, with respect to any calculation of Days Cash on Hand as of any June 30, as reflected in the unaudited trailing twelve month financial statements for the period ending such June 30, as derived from the quarterly financial statements), by 365; provided that for the Days Cash on Hand calculation performed to determine amounts available to redeem the Series 2021A Bonds from Excess Cash, interest expense on the Series 2021B Bonds prior to the Trigger Date shall calculated using 5% per annum. “Cash and Investments” means the sum of cash, cash equivalents and marketable securities of the Obligated Group Members, including without limitation board-designated assets and amounts, if any, and moneys on deposit in the Revenue Fund and the Operating Reserve Fund, but excluding (a) all trustee-held funds other than those described above in this definition, (b) donor-restricted funds and (c) any funds pledged or otherwise subject to a security interest for debt other than the Obligations, as shown on the most recent audited or unaudited financial statements of the Obligated Group. “Expenses” means, for any period, the aggregate of all expenses calculated under generally accepted accounting principles, including without limitation any accrual for taxes, assessments and insurance, incurred by the Person or group of Persons involved during such period, but subtracting (a) interest on Funded Indebtedness, (b) depreciation and amortization, (c) extraordinary expenses, losses on the sale of assets other than in the ordinary course of business and losses on the extinguishment of debt or termination of pension plans, (d) any expenses resulting from a forgiveness of or the establishment of reserves against Indebtedness of an Affiliate which does not constitute an extraordinary expense, (e) losses resulting from any reappraisal, revaluation or write down of assets other than bad debts, (f) non-cash expenses or losses, (g) any development, marketing, operating, or other management fees that have been deferred from the year in which they were originally due. If such calculation of Expenses is being made with respect to the Obligated Group, any such expenses attributable to transactions between any Member and any other Member shall be excluded.
Additional Permitted Indebtedness	[TBD]
Debt Service Coverage Ratio	Commencing with December 31, 2024 (the “ <i>Initial Testing Date</i> ”), Buckingham shall achieve a debt service coverage ratio of not less than 1.1x as of each Testing Date (with the calculation excluding capital

	expenditures and the Pre-Effective Date Refund Queue payments). This ratio will include net Entrance Fees (i.e., Entrance Fees, including Initial Entrance Fees, received during such period minus Entrance Fees refunded during such period) in the numerator and the denominator will be Maximum Annual Debt Service on the Series 2021 Bonds. “Maximum Annual Debt Service” means, with respect to the Series 2021 Bonds, the maximum annual Debt Service thereon in the current or any future fiscal year; provided, however, that principal coming due for the Series 2021B Bonds on January 1, 2061 shall be excluded from the principal amount for purposes of the foregoing calculation to the extent moneys are on deposit in the applicable account of the Debt Service Reserve Fund as of the date of calculation; provided further that the calculation of Maximum Annual Debt Service until the Par Call Date shall be calculated such that the Series 2021B Bonds bear interest rate of 5% per annum.
IL Occupancy Covenants	Commencing with the first fiscal quarter following the Effective Date, Buckingham will have occupied independent living (“ IL ”) units equal to or above the levels set forth for the prior fiscal quarter (as of the end of such prior fiscal quarter) in the projections attached hereto as Schedule “E” (the “ IL Occupancy Covenant ”).
Assisted Living and Nursing Center Occupancy Covenants	Commencing with the first fiscal quarter following the Effective Date, Buckingham shall achieve and maintain an occupancy level for healthcare units (total occupancy of Assisted Living (“ AL ”) units and Nursing Center (“ NC ”) units), as set forth on Schedule “F” which shall be measured as the average combined occupancy of the Healthcare units, as applicable, during such fiscal quarter (the “ Healthcare Occupancy Covenant ”).
Trades Payable Covenant	Buckingham shall maintain its trade payables such that 90% of all trade payables will be less than 75 days past due and no trade payable shall be greater than 100 days past due unless being contested in good faith.
Failure to meet covenants	(i) If Buckingham fails to meet the Days Cash on Hand, the Healthcare Occupancy Covenant or the Debt Service Coverage Ratio (except as set forth in (iii) below) or if the Buckingham fails to generate Excess Cash in accordance with the projections, with a 10% variance on any Testing Date, then upon the first occurrence of such non-compliance, Buckingham shall be required to retain a management consultant acceptable to the holders of not less than a majority of the outstanding aggregate principal amount of the Series 2021A Bonds and if none are outstanding then the outstanding aggregate principal amount of the Series 2021B Bonds (“Majority Holders”), to provide a report and improvement plan to the Trustee. If Buckingham fails to meet the IL Occupancy

	Covenant (except as set forth in (iii) below), then upon the first occurrence of such non-compliance, Buckingham shall be required to retain a marketing consultant acceptable to the Majority Holders to provide a report and improvement plan to the Trustee. (ii) If Buckingham fails to meet the Days Cash on Hand, the Debt Service Coverage Ratio or Healthcare Occupancy Covenant by the end of the second quarter after the report and improvement plan are provided, Buckingham shall, at the direction of the Majority Holders, replace the management company with a management company acceptable to such holders. If Buckingham fails to meet the IL Occupancy Covenant by the end of the second quarter after the report and improvement plan are provided, Buckingham shall, at the direction of the Majority Holders, hire a third party marketing company or replace the existing one with a company acceptable to the Majority Holders. (iii) If Buckingham fails to meet the Days Cash on Hand, the IL Occupancy Covenant, the Healthcare Occupancy Covenant or the Debt Service Coverage Ratio for two consecutive testing dates, then such non-compliance will constitute an Event of Default under the 2021 Indenture. If on any Testing Date, commencing June 30, 2024, the Debt Service Coverage Ratio is 1.0x, it shall constitute an Event of Default under the 2021 Indenture. If the Days Cash on Hand is at or below (i) 50 Days Cash on Hand as of December 31, 2021, June 30, 2022 or December 31, 2022 or (ii) 90 Days Cash on Hand commencing on June 30, 2023 and on each Testing Date thereafter, it shall constitute an Event of Default under the 2021 Indenture.
Property Tax Exemption	Buckingham shall use its best efforts to maintain an exemption from Texas property taxes, and to meet the benevolent care requirements for any such exemption.
Reporting Requirements	
Reporting	Buckingham shall deliver monthly financial statements (including a balance sheet, an income statement, an escrow statement and a cash flow statement) and a monthly report on marketing, occupancy and sales within [45] days following the prior month end comparing actual results to budget and shall include an explanation of variances of more than 10% from budgeted amounts. Such financial statements shall also include an Entrance Fee analysis. Buckingham shall enter into a new Continuing Disclosure Agreement providing for the same reporting as required by the existing Continuing

	Disclosure Agreement (in addition to the information required above), except for any amendments thereto required to reflect changes to Rules 15c2-12.
Update Calls	Until the first year from the Effective Date, Buckingham shall hold monthly calls for holders of the Series 2021 Bonds. After such time, Buckingham shall hold quarterly calls if and to the extent there are no covenant defaults or other defaults under the 2021 Bond Documents in which case such calls shall continue on a monthly basis.
General Provisions	
Management Contract	The management company for Buckingham and the terms and conditions of the management agreement as of the Effective Date shall be as agreed to by Buckingham with the approval of the Master Trustee (the “ <i>Management Agreement</i> ”). Such Management Agreement shall include an incentive basis contract so long as it does not jeopardize the Manager as agreed to by the Master Trustee and shall not otherwise impair the tax-exempt of interest on the Bonds. Buckingham shall not terminate, modify or amend the Management Agreement without the prior consent of the Master Trustee; the Master Trustee shall have the right to approve any Manager of the Facility.
Board	Upon the Effective Date and thereafter, Buckingham shall have a 5 member board in which one member shall be selected by the unsecured creditors committee (the “UCC”) and may be either a current resident or a former resident refund representative. Such board seat shall be a designated board seat until the Pre-Effective Date Refund Queue is paid in full.
Establishment of Litigation Trust	Upon the Effective Date, the Plan shall provide for the establishment of a litigation trust into which Buckingham shall contribute (i) all of its Claims and/or Causes of Action against SQLC and (ii) all of its Avoidance Actions, except for (a) any Avoidance Actions against current officers and directors or any other Released Party (as defined in the Plan); (b) any Avoidance Actions against any Trade Creditors (as defined in the Plan); and/or (c) any Avoidance Actions against any Resident. For the avoidance of doubt, no Claims or Causes of Action against any Released Parties will be contributed to the litigation trust. On the Effective Date, the litigation trust shall be funded with a one-time \$50,000 payment from Revenues (or other funds in the Operating Account).
Bond Counsel	The Buckingham shall provide the Bond Trustee an opinion of Bond Counsel to the effect that the interest on the Series 2021A-1 Bonds and

	2021B Bonds is excludable from the gross income of the owners thereof for federal income tax purposes.
Solutions Advisors	Buckingham, the Manager and the Steering Committee will review the strategy and timeline recommendations set forth by Solutions Advisors. This term sheet is expressly conditioned upon Buckingham, the Manager and the Steering Committee agreeing upon the Solutions Advisors' recommendations, as such recommendations may be revised pursuant to discussions among Buckingham, the Manager and the Steering Committee. In taking any actions or implementing any Solutions Advisors' recommendations, Buckingham and its Board of Directors will do so consistent with its fiduciary duties.
New 2021 Bond Documents	The 2021 Bond Documents shall be prepared or, as applicable, amended and modified in a manner necessary to effectuate the Restructuring Transaction. The 2021 Bond Documents and other agreements governing the Restructuring Transaction shall contain such additional provisions as acceptable to the Steering Committee and consistent with the Term Sheet.
Release/Exculpation	The Restructuring Transaction contemplated by the Term Sheet shall contain customary release, injunction and exculpation provisions for all Parties to the Restructuring Transaction to the extent available under applicable law. The Parties hereby agree that they will use respective best efforts to obtain approval of such release, injunction and exculpatory provisions, which by way of example only shall include opposing any effort by any person or entity that is not a party to this Term Sheet to eliminate or reduce the scope of such release, injunction and exculpation provisions.
Binding Effect	The obligation of each of the undersigned parties to pursue the Restructuring Transaction in accordance with the terms hereof is subject to (i) the negotiation, execution and delivery of mutually acceptable final documentation, (ii) satisfactory review and analysis of the marketing plan and sales projections by Solutions Advisors, (iii) receipt of all necessary consents, including any consent of any party's credit or other committee or board of directors and any regulatory approvals, (iv) receipt of a satisfactory tax opinion confirming that the interest on the Series 2021B Bonds (and the maximum amount allowed for with respect to Series 2021A Bonds) will be excluded from gross income for federal income tax purposes under the Internal Revenue Code, and (v) confirmation of the Plan pursuant to an order of confirmation acceptable to Buckingham and the Trustee.
Miscellaneous	This Term Sheet shall be governed by the laws of the State of Texas without regard to conflict of laws principles.

	This Term Sheet may be executed in one or more counterparts, and when all counterparts have been executed, each executed counterpart will have the force and effect of the original.
Timeline	On or before: September 23, 2021 – Approval of Disclosure Statement and Solicitation Procedures; September 27, 2021 – Solicitation of Plan; November 15, 2021 – Confirmation of Plan; and November 30, 2021 – Effective Date of Plan

Schedule A

Amortization Schedule – Series 2021A Bonds

Year After Effective Date	Principal Amount
2026	\$1,547,000
2027	1,663,000
2028	1,788,000
2029	1,922,000
2030	2,066,000
2031	2,221,000
2032	2,387,000
2033	2,566,000
2034	2,759,000
2035	2,966,000
2036	3,188,000
2037	3,427,000

Schedule B

Amortization Schedule – Series 2021B Bonds

Year After Effective Date	Principal Amount
2038	\$2,870,000
2039	3,031,000
2040	3,202,000
2041	3,382,000
2042	3,572,000
2043	3,773,000
2044	3,985,000
2045	4,210,000
2046	4,446,000
2047	4,696,000
2048	4,961,000
2049	5,240,000
2050	5,534,000
2051	5,846,000
2052	6,175,000
2053	6,522,000
2054	6,889,000
2055	7,276,000
2056	7,685,000
2057	8,118,000
2058	8,574,000
2059	9,057,000
2060	9,566,000
2061	26,336,000

Schedule C

Capital Expenditures

Year	Maximum Amount
2021	[TBD]
2022	Only from RRF
2023	\$2,100,000
2024	2,250,000
2025	2,400,000
2026	2,550,000
2027	2,700,000
2028	2,900,000
2029	3,100,000
2030	3,300,000

Schedule D

Pre-Effective Date Refund Queue Refund Obligations

Unique Identifier:	Amount: ¹
12027488	\$ 1,080,205.00
12029634	726,300.00
12029584	718,105.00
12029654	718,105.00
12029490	706,860.00
12029632	658,800.00
12029495	655,587.00
12029509	652,028.00
12029656	639,000.00
12029512	629,752.00
12029491	594,810.00
12029602	581,940.00
12029605	578,700.00
12029561	552,600.00
12029518	550,170.00
12029538	539,100.00
12029658	539,100.00
12029552	527,850.00
12029494	523,800.00
12029570	511,000.00
12029483	503,100.00
12029644	503,100.00
12029662	503,100.00
12029528	499,050.00
12029574	499,050.00
12029511	494,100.00
12029642	480,600.00
12029572	478,800.00
12029622	478,800.00
12029594	475,200.00
12029657	458,100.00
12029523	458,100.00
12029651	458,100.00

12029536	449,100.00
12028719	443,520.00
12029652	434,039.00
12029557	431,100.00
12029595	431,100.00
Unique Identifier:	Amount:¹
12029573	422,820.00
12029478	411,660.00
12029563	410,130.00
12029589	408,600.00
12029576	408,600.00
12029537	396,360.00
12029606	396,360.00
12029500	388,890.00
12029531	380,610.00
12029534	359,100.00
12029638	359,100.00
12029591	359,100.00
12029546	359,100.00
12029554	347,490.00
12029663	323,100.00
12029593	320,490.00
12029614	315,000.00
12029489	300,150.00
12029514	300,150.00
12029481	284,760.00
12029496	284,760.00
12029596	284,400.00
12029543	278,100.00
12029587	269,550.00
12029575	258,300.00
12029551	248,040.00
12029655	244,800.00
12029579	225,000.00
12029473	225,000.00
12029613	225,000.00
12029612	225,000.00
12029539	197,946.11
12029627	206,100.00

12029603	198,000.00
12029486	62,239.20
12029515	56,144.00
12029592	46,921.00
12027055	431,100.00
Unique Identifier:	Amount:¹
12026723	404,100.00
12026680	339,900.00
12026678	359,900.00
12026717	379,900.00
12026780	1,155,436.00
12027291	244,800.00
12028507	359,910.00
12026683	509,900.00
12026687	199,900.00
12027411	458,100.00
12027671	539,100.00
12027754	762,660.00
Total	\$ 38,093,447.31

Notes:

1. Resident entrance fee refund amounts reflected above may be reduced by any unpaid resident accounts receivable to the extent any exists.

Schedule E

IL Occupancy Covenant

<u>Fiscal Quarter Ended</u>	<u>IL Occupancy Covenant</u>
March 31, 2022	155
June 30, 2022	155
September 30, 2022	157
December 31, 2022	159
March 31, 2023	172
June 30, 2023	176
September 30, 2023	181
December 31, 2023	185
March 31, 2024	189
June 30, 2024	194
September 30, 2024	198
December 31, 2024	202
March 31, 2025	204
June 30, 2025	209
September 30, 2025	213
December 31, 2025	217
March 31, 2026	220
June 30, 2026	225
September 30, 2026	229
December 31, 2026	232
March 31, 2027	236
June 30, 2027	239
September 30, 2027	243
December 31, 2027	246
March 31, 2028	249
June 30, 2028	253
September 30, 2028 and thereafter	259

Schedule F

Healthcare Occupancy Covenant

<u>Fiscal Quarter Ended</u>	<u>Health Care Occupancy Covenant</u>
March 31, 2022	102
June 30, 2022	116
September 30, 2022	130
December 31, 2022	142
March 31, 2023	146
June 30, 2023 and thereafter	155

Cure Schedule

DEBTOR	ID	COUNTERPARTY NAME	DESCRIPTION OF CONTRACT OR LEASE	ESTIMATED CURE AMOUNT
Buckingham Senior Living Community, Inc. d/b/a The Buckingham	1.001	AARP	Insurance Payor -Supplemental	\$0.00
Buckingham Senior Living Community, Inc. d/b/a The Buckingham	1.002	Ability Network Inc.	Incident Managementand Reporting	\$1,079.40
Buckingham Senior Living Community, Inc. d/b/a The Buckingham	1.003	Abshire Dietary Consultants, LLC	Dietary Consultants	\$1,408.00
Buckingham Senior Living Community, Inc. d/b/a The Buckingham	1.004	Accushield	Health Screening Kiosk	\$0.00
Buckingham Senior Living Community, Inc. d/b/a The Buckingham	1.005	Admiral Linen & Uniform Service	Linen Services Agreement	\$0.00
Buckingham Senior Living Community, Inc. d/b/a The Buckingham	1.006	Advanced Answers On Demand, Inc.	Software	\$0.00
Buckingham Senior Living Community, Inc. d/b/a The Buckingham	1.007	Aetna Life Ins. Co.	Insurance Payor	\$0.00
Buckingham Senior Living Community, Inc. d/b/a The Buckingham	1.008	AETNA/Continental Life INS	Insurance Payor	\$0.00
Buckingham Senior Living Community, Inc. d/b/a The Buckingham	1.009	AIX Specialty Insurance Company	General Liability Insurance; Excess Liability	\$0.00
Buckingham Senior Living Community, Inc. d/b/a The Buckingham	1.010	Allmerica Financial Benefit Insurance	Auto Liability	\$0.00
Buckingham Senior Living Community, Inc. d/b/a The Buckingham	1.011	Alsco	Uniform SupplyAgreement	\$7,668.42
Buckingham Senior Living Community, Inc. d/b/a The Buckingham	1.012	AMA Insurance	Insurance Payor -Supplemental	\$0.00
Buckingham Senior Living Community, Inc. d/b/a The Buckingham	1.013	American Bankers Ins Co	Flood Insurance	\$0.00
Buckingham Senior Living Community, Inc. d/b/a The Buckingham	1.014	American Fire Protection Group	Life Safety Services	\$343.00
Buckingham Senior Living Community, Inc. d/b/a The Buckingham	1.015	American Republic Insurance Company	Insurance Payor -Supplemental	\$0.00
Buckingham Senior Living Community, Inc. d/b/a The Buckingham	1.016	AMO Medical Plan	Insurance Payor -Supplemental	\$0.00
Buckingham Senior Living Community, Inc. d/b/a The Buckingham	1.017	Amwins Brokerage of Texas, Inc.	Insurance Broker	\$0.00
Buckingham Senior Living Community, Inc. d/b/a The Buckingham	1.018	Ankura Consulting Group, LLC	Consulting Agreement	\$0.00
Buckingham Senior Living Community, Inc. d/b/a The Buckingham	1.019	Arch	D&O Insurance Broker	\$0.00
Buckingham Senior Living Community, Inc. d/b/a The Buckingham	1.020	Argonaut Insurance Company	Excess D&O Liability	\$0.00
Buckingham Senior Living Community, Inc. d/b/a The Buckingham	1.021	Assured Life Association	Insurance Payor	\$0.00
Buckingham Senior Living Community, Inc. d/b/a The Buckingham	1.022	AT&T	Internet Service Provider	\$0.00
Buckingham Senior Living Community, Inc. d/b/a The Buckingham	1.023	AT&T Corp.	Internet Service Provider	\$0.00
Buckingham Senior Living Community, Inc. d/b/a The Buckingham	1.024	AT&T MOBILITY	Phone Service	\$0.00
Buckingham Senior Living Community, Inc. d/b/a The Buckingham	1.025	Aureon HR, Inc.	Professional EmployerOrganization	\$0.00
Buckingham Senior Living Community, Inc. d/b/a The Buckingham	1.026	Bank of America, N.A.	Bank Account	\$0.00
Buckingham Senior Living Community, Inc. d/b/a The Buckingham	1.027	Bank of America, N.A.	Credit Card	\$0.00
Buckingham Senior Living Community, Inc. d/b/a The Buckingham	1.028	Bankers Life	Insurance Payor -Supplemental	\$0.00
Buckingham Senior Living Community, Inc. d/b/a The Buckingham	1.029	BCBS of TX	Insurance Payor	\$0.00
Buckingham Senior Living Community, Inc. d/b/a The Buckingham	1.030	Berkley	D&O Insurance Broker	\$0.00
Buckingham Senior Living Community, Inc. d/b/a The Buckingham	1.031	Bridget Bohacz & Associates	Interior Design	\$0.00
Buckingham Senior Living Community, Inc. d/b/a The Buckingham	1.032	CAC	D&O Insurance Broker	\$0.00
Buckingham Senior Living Community, Inc. d/b/a The Buckingham	1.033	Care Purchasing Services, LLC	Purchasing Agent	\$0.00
Buckingham Senior Living Community, Inc. d/b/a The Buckingham	1.034	Centerpoint Energy	Utility Provider - Gas	\$2,674.00
Buckingham Senior Living Community, Inc. d/b/a The Buckingham	1.035	Centre Technologies	Technology Provider	\$0.00
Buckingham Senior Living Community, Inc. d/b/a The Buckingham	1.036	Champ VA	Insurance Payor	\$0.00
Buckingham Senior Living Community, Inc. d/b/a The Buckingham	1.037	Christian Fidelity	Insurance Payor	\$0.00
Buckingham Senior Living Community, Inc. d/b/a The Buckingham	1.038	Cigna	Insurance Payor	\$0.00
Buckingham Senior Living Community, Inc. d/b/a The Buckingham	1.039	Cigna HealthSpring	Insurance Payor	\$0.00
Buckingham Senior Living Community, Inc. d/b/a The Buckingham	1.040	Cintas Corporation #082	Corporate Services	\$1,014.00
Buckingham Senior Living Community, Inc. d/b/a The Buckingham	1.041	Clinical Resources, LLC	Health Care Staffing	\$0.00
Buckingham Senior Living Community, Inc. d/b/a The Buckingham	1.042	Colonial Penn Life Insurance Company	Insurance Payor -Supplemental	\$0.00
Buckingham Senior Living Community, Inc. d/b/a The Buckingham	1.043	Combined Insurance Company of America	Insurance Payor -Supplemental	\$0.00
Buckingham Senior Living Community, Inc. d/b/a The Buckingham	1.044	Comcast Cable Communications, LLC	Cable television,Broadband Services	\$0.00
Buckingham Senior Living Community, Inc. d/b/a The Buckingham	1.045	Comcast of Houston, LLC	TV Service	\$0.00
Buckingham Senior Living Community, Inc. d/b/a The Buckingham	1.046	Comm3	Phone Service	\$0.00

¹ Any defaults under an Executory Contract and Unexpired Lease shall be satisfied by payment of the amount reflected herein in Cash on the Effective Date or on such other terms as the parties to such Executory Contracts or Unexpired Leases may otherwise agree. The Debtor and/or Reorganized Debtor may amend or supplement the Executory Contracts and Unexpired Leases and the Cure Claims associated therewith through and including the Effective Date.

DEBTOR	ID	COUNTERPARTY NAME	DESCRIPTION OF CONTRACT OR LEASE	ESTIMATED CURE AMOUNT
Buckingham Senior Living Community, Inc. d/b/a The Buckingham	1.047	Commerce Trust Company	Wealth Management	\$6,084.21
Buckingham Senior Living Community, Inc. d/b/a The Buckingham	1.048	Community Health Choice HMO	Insurance Payor	\$0.00
Buckingham Senior Living Community, Inc. d/b/a The Buckingham	1.049	Concord Life Sciences, LLC	BAA - Lab Services	\$9,129.22
Buckingham Senior Living Community, Inc. d/b/a The Buckingham	1.050	Constellation NewEnergy-Gas Division, LLC	Gas Supply	\$3,092.06
Buckingham Senior Living Community, Inc. d/b/a The Buckingham	1.051	Constitution Life	Insurance Payor	\$0.00
Buckingham Senior Living Community, Inc. d/b/a The Buckingham	1.052	Continental General Insurance Company	Insurance Payor -Complementary	\$0.00
Buckingham Senior Living Community, Inc. d/b/a The Buckingham	1.053	Continuing Care Actuaries	Actuarial Services	\$0.00
Buckingham Senior Living Community, Inc. d/b/a The Buckingham	1.054	CRC Insurance Services, Inc.	Surplus Lines Agent	\$0.00
Buckingham Senior Living Community, Inc. d/b/a The Buckingham	1.055	CRC Insurance Services, Inc.	Specialty Insurance	\$0.00
Buckingham Senior Living Community, Inc. d/b/a The Buckingham	1.056	Culligan of Houston	Water Delivery	\$0.00
Buckingham Senior Living Community, Inc. d/b/a The Buckingham	1.057	Dallas General	Insurance Payor	\$0.00
Buckingham Senior Living Community, Inc. d/b/a The Buckingham	1.058	Delta Anthem BCBS	Insurance Payor -Supplemental	\$0.00
Buckingham Senior Living Community, Inc. d/b/a The Buckingham	1.059	Dude Solutions, Inc.	Software	\$0.00
Buckingham Senior Living Community, Inc. d/b/a The Buckingham	1.060	Family Life Insurance Company	Insurance Payor -Supplemental	\$0.00
Buckingham Senior Living Community, Inc. d/b/a The Buckingham	1.061	Firesafe Protection Services, LTD	Fire Alarm Inspection	\$0.00
Buckingham Senior Living Community, Inc. d/b/a The Buckingham	1.062	First American Title Insurance Company	Title Insurance	\$0.00
Buckingham Senior Living Community, Inc. d/b/a The Buckingham	1.063	First Choice Coffee Services	Coffee services provider	\$282.40
Buckingham Senior Living Community, Inc. d/b/a The Buckingham	1.064	Fore Thought	Insurance Payor -Supplemental	\$0.00
Buckingham Senior Living Community, Inc. d/b/a The Buckingham	1.065	GardaWorld FCT Security	Security	\$56,415.49
Buckingham Senior Living Community, Inc. d/b/a The Buckingham	1.066	GEHA	Insurance Payor	\$0.00
Buckingham Senior Living Community, Inc. d/b/a The Buckingham	1.067	GHI	Insurance Payor	\$0.00
Buckingham Senior Living Community, Inc. d/b/a The Buckingham	1.068	Globe life	Insurance Payor -Supplemental	\$0.00
Buckingham Senior Living Community, Inc. d/b/a The Buckingham	1.069	GMP Life	Insurance Payor	\$0.00
Buckingham Senior Living Community, Inc. d/b/a The Buckingham	1.070	Great Midwest Insurance Company	Excess D&O Liability	\$0.00
Buckingham Senior Living Community, Inc. d/b/a The Buckingham	1.071	Greystone Management Services Company, LLC	Community Management	\$0.00
Buckingham Senior Living Community, Inc. d/b/a The Buckingham	1.072	Hartford Life & Accident Insurance Compa	Insurance Payor -Supplemental	\$0.00
Buckingham Senior Living Community, Inc. d/b/a The Buckingham	1.073	Health Choice	Insurance Payor -Supplemental	\$0.00
Buckingham Senior Living Community, Inc. d/b/a The Buckingham	1.074	HealthPRO Management Services, LLC	Rehabilitation Services	\$12,009.44
Buckingham Senior Living Community, Inc. d/b/a The Buckingham	1.075	Heritage Title Company of Austin, Inc.	Title Insurance	\$0.00
Buckingham Senior Living Community, Inc. d/b/a The Buckingham	1.076	Hewlett-Packard Financial Services Company	Office Equipment Leasing	\$0.00
Buckingham Senior Living Community, Inc. d/b/a The Buckingham	1.077	Host Staff, LLC	Temporary StaffingServices	\$7,304.84
Buckingham Senior Living Community, Inc. d/b/a The Buckingham	1.078	Houston Interntional Insurance Group	Excess Insurance	\$0.00
Buckingham Senior Living Community, Inc. d/b/a The Buckingham	1.079	Hudson Excess Insurance Company	Cyber Liability	\$0.00
Buckingham Senior Living Community, Inc. d/b/a The Buckingham	1.080	Humana	Insurance Payor	\$0.00
Buckingham Senior Living Community, Inc. d/b/a The Buckingham	1.081	Interstate Fire & Casualty Company	Excess Property	\$0.00
Buckingham Senior Living Community, Inc. d/b/a The Buckingham	1.082	IPRO Media Inc/Bancorpsouth	Phone Service Equipment Contract and related Services and Support Agreement	\$0.00
Buckingham Senior Living Community, Inc. d/b/a The Buckingham	1.083	Iron Mountain	InformationManagement	\$452.89
Buckingham Senior Living Community, Inc. d/b/a The Buckingham	1.084	KelseyCare Advantage	Insurance Payor	\$0.00
Buckingham Senior Living Community, Inc. d/b/a The Buckingham	1.085	Kilgore Industries	HVAC Maintenance Program - Skilling Nursing	\$9,861.25
Buckingham Senior Living Community, Inc. d/b/a The Buckingham	1.086	Konica Minolta	Equipment Lease &Maintenance Contract	\$0.00
Buckingham Senior Living Community, Inc. d/b/a The Buckingham	1.087	Lane Gorman Trubitt, LLC	Professional Services	\$0.00
Buckingham Senior Living Community, Inc. d/b/a The Buckingham	1.088	Leading Age Texas	Professional Association -Annual Membership	\$0.00
Buckingham Senior Living Community, Inc. d/b/a The Buckingham	1.089	LJB Consulting, Inc.	Medicare Cost ReportPreparation Services	\$0.00
Buckingham Senior Living Community, Inc. d/b/a The Buckingham	1.090	Manhattan Life Insurance	Insurance Payor	\$0.00
Buckingham Senior Living Community, Inc. d/b/a The Buckingham	1.091	Masterpiece Living, LLC	Hollistic Services	\$1,239.13
Buckingham Senior Living Community, Inc. d/b/a The Buckingham	1.092	Masters, Mates & Pilots Health & Benefit	Insurance Payor	\$0.00

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DEBTOR	ID	COUNTERPARTY NAME	DESCRIPTION OF CONTRACT OR LEASE	ESTIMATED CURE AMOUNT
Buckingham Senior Living Community, Inc. d/b/a The Buckingham	1.093	MatrixCare, Inc.	Software	\$1,263.78
Buckingham Senior Living Community, Inc. d/b/a The Buckingham	1.094	McCall, Parkhurst & Horton L.L.P.	Professional Services	\$0.00
Buckingham Senior Living Community, Inc. d/b/a The Buckingham	1.095	McKesson Medical Surgical	Medical Supplies	\$3,599.38
Buckingham Senior Living Community, Inc. d/b/a The Buckingham	1.096	MEDICO -CORP	Insurance Payor	\$0.00
Buckingham Senior Living Community, Inc. d/b/a The Buckingham	1.097	Memorial Hermann MCR Replacement	Insurance Payor	\$0.00
Buckingham Senior Living Community, Inc. d/b/a The Buckingham	1.098	MHBP - No OP Benefits	Insurance Payor	\$0.00
Buckingham Senior Living Community, Inc. d/b/a The Buckingham	1.099	Miller Pools	Pool Service	\$1,620.00
Buckingham Senior Living Community, Inc. d/b/a The Buckingham	1.100	Motion Picture Licensing Corporation	Movie Licensing	\$0.00
Buckingham Senior Living Community, Inc. d/b/a The Buckingham	1.101	Muir Salon Group	Cosmetology	\$0.00
Buckingham Senior Living Community, Inc. d/b/a The Buckingham	1.102	Mutual of Omaha	Insurance Payor	\$0.00
Buckingham Senior Living Community, Inc. d/b/a The Buckingham	1.103	New Era	Insurance Payor	\$0.00
Buckingham Senior Living Community, Inc. d/b/a The Buckingham	1.104	Novitas Solutions	Provider Audit Services	\$0.00
Buckingham Senior Living Community, Inc. d/b/a The Buckingham	1.105	Oasis Outsourcing Holdings, Inc.	Retirement Plan Servicing	\$0.00
Buckingham Senior Living Community, Inc. d/b/a The Buckingham	1.106	Old Surety	Insurance Payor	\$0.00
Buckingham Senior Living Community, Inc. d/b/a The Buckingham	1.107	OnShift	Time & AttendanceSoftware	\$0.00
Buckingham Senior Living Community, Inc. d/b/a The Buckingham	1.108	Otis Elevator Company	Elevator Service	\$5,273.26
Buckingham Senior Living Community, Inc. d/b/a The Buckingham	1.109	Pharmerica	Pharmacy Services	\$23,536.93
Buckingham Senior Living Community, Inc. d/b/a The Buckingham	1.110	Physicians Mutual	Insurance Payor	\$0.00
Buckingham Senior Living Community, Inc. d/b/a The Buckingham	1.111	Pitney Bowes Global Financial Services	Financial Services	\$0.00
Buckingham Senior Living Community, Inc. d/b/a The Buckingham	1.112	Principal Life Insurance CO.	Insurance Payor -Supplemental	\$0.00
Buckingham Senior Living Community, Inc. d/b/a The Buckingham	1.113	Procurement Partners, LLC	Commerce Automation	\$0.00
Buckingham Senior Living Community, Inc. d/b/a The Buckingham	1.114	Puritan Life	Insurance Payor	\$0.00
Buckingham Senior Living Community, Inc. d/b/a The Buckingham	1.115	QBE	D&O Insurance Broker	\$0.00
Buckingham Senior Living Community, Inc. d/b/a The Buckingham	1.116	Regions	Bank Account	\$0.00
Buckingham Senior Living Community, Inc. d/b/a The Buckingham	1.117	Reliant Energy Retail Services, LLC	Electricity	\$20,084.82
Buckingham Senior Living Community, Inc. d/b/a The Buckingham	1.118	Relias LLC	Healthcare Training	\$0.00
Buckingham Senior Living Community, Inc. d/b/a The Buckingham	1.119	Relief Ambulance Services, LLC	Ambulatory ServicesAgreement	\$11,017.06
Buckingham Senior Living Community, Inc. d/b/a The Buckingham	1.120	Republic Services	Waste Disposal -Customer Service Agreement	\$0.00
Buckingham Senior Living Community, Inc. d/b/a The Buckingham	1.121	Salon PS Texas LLC	Cosmetology	\$1,720.80
Buckingham Senior Living Community, Inc. d/b/a The Buckingham	1.122	Secure Horizons	Insurance Payor -Supplemental	\$0.00
Buckingham Senior Living Community, Inc. d/b/a The Buckingham	1.123	Selectcare of Texas	Insurance Payor	\$0.00
Buckingham Senior Living Community, Inc. d/b/a The Buckingham	1.124	Siemens Industry Inc.	Inspection & Test Agreement - Fire SafetyEquipment	\$12,934.56
Buckingham Senior Living Community, Inc. d/b/a The Buckingham	1.125	Silversand Services	Landscape ManagementAgreement	\$8,089.00
Buckingham Senior Living Community, Inc. d/b/a The Buckingham	1.126	Smith Counsel PC	Attorney	\$0.00
Buckingham Senior Living Community, Inc. d/b/a The Buckingham	1.127	SNF Medicare Billing	Third Party Billing	\$3,989.98
Buckingham Senior Living Community, Inc. d/b/a The Buckingham	1.128	Standard Life Ins	Insurance Payor -Supplemental	\$0.00
Buckingham Senior Living Community, Inc. d/b/a The Buckingham	1.129	State Farm Health Insurance	Insurance Payor -Supplemental	\$0.00
Buckingham Senior Living Community, Inc. d/b/a The Buckingham	1.130	State Mutual Ins	Insurance Payor -Supplemental	\$0.00
Buckingham Senior Living Community, Inc. d/b/a The Buckingham	1.131	Terracon Consultants, Inc.	Surveyor	\$0.00
Buckingham Senior Living Community, Inc. d/b/a The Buckingham	1.132	TexanPlus/Selectcare Of Texas	Insurance Payor	\$0.00
Buckingham Senior Living Community, Inc. d/b/a The Buckingham	1.133	The Hanover Insurance Group	Auto Insurance	\$0.00
Buckingham Senior Living Community, Inc. d/b/a The Buckingham	1.134	The Hartford	Insurance Payor	\$0.00
Buckingham Senior Living Community, Inc. d/b/a The Buckingham	1.135	The Silversand Services, Inc.	Landscaping Services	\$0.00
Buckingham Senior Living Community, Inc. d/b/a The Buckingham	1.136	Thrivent	Insurance Payor -Supplemental	\$0.00
Buckingham Senior Living Community, Inc. d/b/a The Buckingham	1.137	TLC Office Systems	Printer Rental	\$11,469.86
Buckingham Senior Living Community, Inc. d/b/a The Buckingham	1.138	Touchtown, Inc.	Resident Concierge	\$1,260.00

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DEBTOR	ID	COUNTERPARTY NAME	DESCRIPTION OF CONTRACT OR LEASE	ESTIMATED CURE AMOUNT
Buckingham Senior Living Community, Inc. d/b/a The Buckingham	1.139	Transamerica Life Insurance Company	Insurance Payor -Supplemental	\$0.00
Buckingham Senior Living Community, Inc. d/b/a The Buckingham	1.140	Tricare	Insurance Payor	\$0.00
Buckingham Senior Living Community, Inc. d/b/a The Buckingham	1.141	Trumen Physicians and Associates PLLC	Medical Group Practice	\$3,200.00
Buckingham Senior Living Community, Inc. d/b/a The Buckingham	1.142	TXU Energy Retail Company LLC	Electricity	\$0.00
Buckingham Senior Living Community, Inc. d/b/a The Buckingham	1.143	UMB	Bank Account	\$0.00
Buckingham Senior Living Community, Inc. d/b/a The Buckingham	1.144	UMR	Insurance Payor	\$0.00
Buckingham Senior Living Community, Inc. d/b/a The Buckingham	1.145	Unicare	Insurance Payor -Supplemental	\$0.00
Buckingham Senior Living Community, Inc. d/b/a The Buckingham	1.146	Unified Life Insurance	Insurance Payor -Supplemental	\$0.00
Buckingham Senior Living Community, Inc. d/b/a The Buckingham	1.147	United American Insurance Company	Insurance Payor	\$0.00
Buckingham Senior Living Community, Inc. d/b/a The Buckingham	1.148	United American Security, LLC	Security	\$0.00
Buckingham Senior Living Community, Inc. d/b/a The Buckingham	1.149	United Healthcare	Insurance Payor	\$0.00
Buckingham Senior Living Community, Inc. d/b/a The Buckingham	1.150	Universal Fidelity	Insurance Payor -Supplemental	\$0.00
Buckingham Senior Living Community, Inc. d/b/a The Buckingham	1.151	US Family Health Plan	Insurance Payor	\$0.00
Buckingham Senior Living Community, Inc. d/b/a The Buckingham	1.152	USAA Insurance Company Claims	Insurance Payor	\$0.00
Buckingham Senior Living Community, Inc. d/b/a The Buckingham	1.153	Value First, Inc.	Purchasing ParticipationAgreement	\$0.00
Buckingham Senior Living Community, Inc. d/b/a The Buckingham	1.154	Velocity Risk Underwriters, LLC	Property Insurance	\$0.00
Buckingham Senior Living Community, Inc. d/b/a The Buckingham	1.155	Well Med Medical Management	Insurance Payor	\$0.00
Buckingham Senior Living Community, Inc. d/b/a The Buckingham	1.156	Wesco Insurance Co	Excess D&O Liability	\$0.00
Buckingham Senior Living Community, Inc. d/b/a The Buckingham	1.157	Western United Life	Insurance Payor -Supplemental	\$0.00
Buckingham Senior Living Community, Inc. d/b/a The Buckingham	1.158	XL Specialty Insurance Company	D&O Liability	\$0.00
Buckingham Senior Living Community, Inc. d/b/a The Buckingham	1.159	Zurich American Insurance Company	Property Insurance	\$0.00

¹ Any defaults under an Executory Contract and Unexpired Lease shall be satisfied by payment of the amount reflected herein in Cash on the Effective Date or on such other terms as the parties to such Executory Contracts or Unexpired Leases may otherwise agree. The Debtor and/or Reorganized Debtor may amend or supplement the Executory Contracts and Unexpired Leases and the Cure Claims associated therewith through and including the Effective Date.

Notice of Entry of Confirmation Order and Occurrence of Effective Date

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE SOUTHERN DISTRICT OF TEXAS
HOUSTON DIVISION**

IN RE: BUCKINGHAM SENIOR LIVING COMMUNITY, INC.¹ Debtor.	§ § § § § § §	CASE NO. 21-32155 (MI) CHAPTER 11 Re: Dkt. Nos. 308, * __

**NOTICE OF ENTRY OF CONFIRMATION ORDER AND
OCCURRENCE OF EFFECTIVE DATE**

PLEASE TAKE NOTICE that on _____*, 2021, the Honorable Marvin Isgur, United States Bankruptcy Judge for the United States Bankruptcy Court for the Southern District of Texas (the “Bankruptcy Court”), entered the *Findings of Fact, Conclusions of Law, and Order Confirming the Debtor’s First Amended Chapter 11 Plan of Reorganization* [Dkt. No. __*] (the “Confirmation Order”) confirming the *First Amended Chapter 11 Plan of Reorganization* [Dkt. No. 308] (as amended and/or supplemented, the “Plan”).²

PLEASE TAKE FURTHER NOTICE that, on _____*, 2021 (the “Effective Date”), all conditions to the occurrence of the Plan’s effectiveness have been satisfied or waived for all purposes under the Plan and the Effective Date occurred.

PLEASE TAKE FURTHER NOTICE that the name, address and telephone number for the Reorganized Debtor under the Plan is:

Buckingham Senior Living Community, Inc.
8580 Woodway Drive
Houston, Texas 77063
Phone No: 713-979-3090

PLEASE TAKE FURTHER NOTICE that, unless otherwise provided by the Plan, the Confirmation Order, any other applicable Order of the Bankruptcy Court, or agreed to by the holder of an Allowed Administrative Claim, on one hand, and the Reorganized Debtor, on the other hand, the deadline to File and serve requests for payment or any other means of preserving and obtaining payment of Administrative Claims (other than Professional Fee Claims and DIP Facility Claims) that have not been paid in the ordinary course, released, compromised or otherwise settled is _____*, **2021** (the “Administrative Claims Bar Date”). **Unless otherwise provided in the Plan, Holders of Administrative Claims that are required to file**

¹ The last four digits of the Debtor’s federal tax identification number is: 7872. The location of the Debtor’s principal place of business and the service address for the Debtor is: 8580 Woodway Drive Houston, Texas 77063.

² All capitalized terms not otherwise defined herein shall have the meaning ascribed to them in the Confirmation Order.

and serve a request for payment of such Administrative Claims that do not file and serve such a request by the Administrative Claims Bar Date shall be forever barred, estopped, and enjoined from asserting such Administrative Claim(s) in any manner against the Debtor and/or the Reorganized Debtor, the Debtor's Estate, the Litigation Trust, the Litigation Trustee, or any of their respective Affiliates or representatives.

PLEASE TAKE FURTHER NOTICE, unless otherwise ordered by the Bankruptcy Court, the deadline to File and serve requests for payment of Professional Fee Claims is *, 2021.

PLEASE TAKE FURTHER NOTICE that in accordance with Section 8.01 of the Plan, on the Effective Date, except as otherwise provided in the Plan, the Confirmation Order or other applicable Order of the Bankruptcy Court, all executory contracts and unexpired leases to which the Debtor is party to were deemed rejected as of the Effective Date unless such contract or lease (a) is an Assumed Residence Agreement; (b) is an Assumed Contract; (c) is the subject of a motion to assume Filed on or before the Confirmation Date; or (d) previously expired or terminated on a date prior to the Effective Date pursuant to its own terms. The deadline for filing a Proof of Claim based upon damages resulting from the rejection of an executory contract or unexpired lease is the later of (a) *, 2021; or (b) thirty (30) days after a Final Order is entered granting such rejection. In accordance with Section 8.06 of the Plan, any Claim for such damages due to the rejection of an executory contract or unexpired lease, if not evidenced by a timely filed Proof of Claim, shall be forever barred and shall not be enforceable against the Debtor and/or the Reorganized Debtor, the Debtor's Estate, the Litigation Trust, the Litigation Trustee, or any of their respective Affiliates or representatives.

PLEASE TAKE FURTHER NOTICE that, notwithstanding any Order of the Bankruptcy Court to the contrary, after the Effective Date, the list of parties-in-interest receiving notice of documents pursuant to Bankruptcy Rule 2002 (the "Master Service List") shall be limited to (a) persons who have filed a request for notice pursuant to Bankruptcy Rule 2002; (b) the Litigation Trustee; (c) the Office of the United States Trustee; and (d) the Reorganized Debtor; *provided, however*, that parties-in-interest shall also serve those parties directly affected by, or having a direct interest in, the particular filing.

PLEASE TAKE FURTHER NOTICE that the Plan and Confirmation Order, along with copies of all pleadings filed in this Case, are publicly available and can be found free of charge at the following website: <https://cases.stretto.com/TheBuckingham>. In addition, the Plan and Confirmation Order are on file with the Bankruptcy Court and may be reviewed for a fee by accessing the Bankruptcy Court's website: www.tx.uscourts.gov. Note that a PACER password and login are needed to access documents on the Bankruptcy Court's website. A PACER password can be obtained at: www.pacer.psc.uscourts.gov.

PLEASE TAKE FURTHER NOTICE that the Plan, the Plan Supplement and Confirmation Order are binding and enforceable according to their terms upon the Debtor, the Reorganized Debtor, any and all Holders of Claims (irrespective of whether such Holders are deemed to have accepted the Plan), all Persons that are parties to or are subject to the settlements, compromises, releases, discharges, exculpations, and injunctions described in the Plan, and any and all non-Debtor parties to Executory Contracts with the Debtor.

PLEASE TAKE FURTHER NOTICE that the final Pre-Effective Date Refund Queue Refund Obligations (Schedule D to the Restructuring Term Sheet) is attached as **Exhibit A**.

DATED: November __, 2021

Respectfully submitted,

McGuireWoods LLP

By: /s/ DRAFT

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**COUNSEL FOR DEBTOR AND DEBTOR IN
POSSESSION**

Exhibit A - Final Pre-Effective Date Refund Queue Refund Obligations

[To be attached]

EXHIBIT 3

Bond Documents

PLAN SUPPLEMENT EXHIBIT C

2021 Bond Documents (Exhibit E to Disclosure Statement)

NEW HOPE CULTURAL EDUCATION FACILITIES FINANCE CORPORATION

TO

UMB BANK, N.A.,
AS BOND TRUSTEE

INDENTURE OF TRUST

DATED AS OF NOVEMBER 1, 2021

NEW HOPE CULTURAL EDUCATION FACILITIES FINANCE CORPORATION
RETIREMENT FACILITY REVENUE BONDS
(BUCKINGHAM SENIOR LIVING COMMUNITY, INC. PROJECT)
SERIES 2021A-1, SERIES 2021A-2 (FEDERALLY TAXABLE) and SERIES 2021B

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Indenture of Trust and is only for convenience of reference)

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INDENTURE OF TRUST

THIS INDENTURE OF TRUST dated as of November 1, 2021 (the “Bond Indenture”), between NEW HOPE CULTURAL EDUCATION FACILITIES FINANCE CORPORATION, a nonstock nonprofit cultural education facilities finance corporation duly organized and existing under the laws of the State of Texas and acting on behalf of the Town of New Hope (the “Issuer”), and UMB BANK, N.A., a national banking association, as trustee, being authorized to accept and execute trusts of the character herein set out (the “Bond Trustee”),

WITNESSETH:

WHEREAS, the Issuer was created pursuant to the Cultural Education Facilities Finance Corporation Act, Chapter 337, Texas Local Government Code, as amended (the “Act”); and

WHEREAS, the Issuer is authorized by the Act to sell and deliver its bonds for the purpose of financing or refinancing the cost of a health facility, as defined in Chapter 221, Texas Health and Safety Code, as amended (the “Health Facility Act”); and

WHEREAS, the Issuer is further authorized by the Act to make a loan of the proceeds of its bonds in the amount of all or part of the cost of the health facility or health facilities for which such bonds have been authorized and, at the option of the Issuer, for the deposit to a reserve fund or reserve funds for the bonds; and

WHEREAS, previously, Tarrant County Cultural Education Facilities Finance Corporation (the “Prior Issuer”) issued its (i) Tarrant County Cultural Education Facilities Finance Corporation Retirement Facility Revenue Bonds (Buckingham Senior Living Community, Inc. Project) Series 2007 (the “Series 2007 Bonds”) pursuant to an Indenture of Trust dated as of July 1, 2007 (the “2007 Original Indenture”), between the Prior Issuer and the prior trustee, (ii) Tarrant County Cultural Education Facilities Finance Corporation Retirement Facility Revenue Bonds (Buckingham Senior Living Community, Inc. Project), Series 2014 (the “Series 2014 Bonds”) pursuant to the 2007 Indenture, as supplemented by Supplement No. 1 to the Indenture of Trust, dated as of September 1, 2014 (the 2007 Original Indenture, as supplemented, the “2007 Indenture”) and (iii) Tarrant County Cultural Education Facilities Finance Corporation Retirement Facility Revenue Bonds (Buckingham Senior Living Community, Inc. Project) Series 2015A, Series 2015B-1 and Series 2015B-2 (the “Series 2015 Bonds” and together with the Series 2007 Bonds and Series 2014 Bonds, the “Existing Bonds”) pursuant to an Indenture of Trust dated as of August 1, 2015 (the “2015 Indenture” and together with the 2007 Indenture, the “Original Bond Indentures”) between the Prior Issuer and the prior trustee.

WHEREAS, the Prior Issuer loaned the proceeds of the Existing Bonds to Buckingham Senior Living Community, Inc. (the “Obligor”) pursuant to certain Loan Agreements previously entered into between the Prior Issuer and the Obligor (the “Original Loan Agreements”) for the purpose of financing and refinancing the Obligor’s continuing care retirement community known as “The Buckingham” located at 8580 Woodway Drive, Houston, Texas 77063.

WHEREAS, subsequent to the issuance of the Existing Bonds, the Obligor defaulted on its obligations with respect to the Existing Bonds, including without limitation its obligations under the Original Loan Agreements and Original Bond Indentures, and entered into negotiations with certain owners of a majority of principal amount of the Existing Bonds to address the issues. On June 25, 2021, the Obligor filed its voluntary petition under Chapter 11 of the Bankruptcy Code in the bankruptcy case styled In re: Buckingham Senior Living Community, Inc. Case No. 21-32155 (the “Bankruptcy Proceedings”) in the United States Bankruptcy Court for the Southern District of Texas (the “Bankruptcy

Court”). As part of the Bankruptcy Proceedings, the Obligor filed its reorganization plan which included the restructuring of the Existing Bonds (the “Bankruptcy Plan”). On _____, 2021, the Bankruptcy Court issued its order (the “Order”) confirming the Bankruptcy Plan. The Order and the Bankruptcy Plan provide that the outstanding Existing Bonds are to be restructured by having the owners of all of the Existing Bonds exchange such outstanding Existing Bonds for Series 2021B Bonds (as defined below) (the “Bond Exchange”).

WHEREAS, In order to effectuate the Bond Exchange and the Bankruptcy Plan, including funding additional costs of the Series 2021 Project, the Obligor has requested that the Issuer issue: (a) \$3,920,000 in aggregate principal amount of its Retirement Facility Revenue Bonds (Buckingham Senior Living Community, Inc. Project) Series 2021A-1 (the “Series 2021A-1 Bonds”), (b) \$24,580,000 in aggregate principal amount of its Retirement Facility Revenue Bonds (Buckingham Senior Living Community, Inc. Project) Series 2021A-2 (Federally Taxable) (the “Series 2021A-2 Bonds” and together with the Series 2021A-1 Bonds, the “Series 2021A Bonds”), and (c) \$140,340,000 in aggregate principal amount of its Retirement Facility Revenue Bonds (Buckingham Senior Living Community, Inc. Project) Series 2021B (the “Series 2021B Bonds” and, together with the Series 2021A Bonds, the “Series 2021 Bonds”), and exchange the Series 2021B Bonds for the outstanding Existing Bonds, with each owner of Existing Bonds to receive their ratable share of Series 2021B Bonds as set forth in this Bond Indenture.

WHEREAS, the execution and delivery of this Bond Indenture and the issuance of the bonds hereinafter authorized under this Bond Indenture, pursuant to the provisions of the Act, have been in all respects duly and validly authorized by a resolution duly adopted and approved by the Board of Directors of the Issuer; and

WHEREAS, the Issuer is authorized by law and deems necessary, in accordance with its powers described above, and has duly authorized and directed that its bonds, to be known as “New Hope Cultural Education Facilities Finance Corporation Retirement Facility Revenue Bonds (Buckingham Senior Living Community, Inc. Project)”, be issued in one or more series (all bonds from time to time outstanding under the terms of this Bond Indenture being hereinafter referred to as the “Bonds”); and

WHEREAS, the proceeds of the Series 2021 Bonds shall be loaned to Buckingham Senior Living Community, Inc. (the “Obligor”) pursuant to a Loan Agreement dated as of November 1, 2021 (the “Agreement”) between the Issuer and the Obligor; and

WHEREAS, to secure the payment of the principal of the Bonds, premium, if any, and the interest thereon and the performance and observance of the covenants and conditions herein contained the Issuer has authorized the execution and delivery of this Bond Indenture; and

WHEREAS, the Issuer has determined to issue an initial series of Bonds hereunder designated “New Hope Cultural Education Facilities Finance Corporation Retirement Facility Revenue Bonds (Buckingham Senior Living Community, Inc. Project) Series 2021A-1” (hereinafter called the “Series 2021A-1 Bonds”) in the aggregate principal amount of \$3,920,000 for the purpose of financing certain capital improvements at the Series 2021 Project; funding a debt service reserve fund; and paying a portion of the cost of issuance; and

WHEREAS, the Series 2021A-1 Bonds, the Bond Trustee's Authentication Certificate, the Comptroller's Registration Certificate and the Assignment are to be substantially in the following forms, with such necessary or appropriate variations, omissions, and insertions as permitted or required by this Bond Indenture:

(FORM OF SERIES 2021-A-1 BOND)
(Face of Bond)

NEW HOPE CULTURAL EDUCATION FACILITIES FINANCE CORPORATION
RETIREMENT FACILITY REVENUE BONDS
(BUCKINGHAM SENIOR LIVING COMMUNITY, INC. PROJECT)
SERIES 2021A-1

No. R-1 \$3,920,000

<u>Interest Rate</u>	<u>Maturity Date</u>	<u>Delivery Date</u>	<u>Cusip No.</u>
7.50%	November 15, 2037		

REGISTERED OWNER:

PRINCIPAL AMOUNT: THREE MILLION NINE HUNDRED TWENTY THOUSAND DOLLARS

NEW HOPE CULTURAL EDUCATION FACILITIES FINANCE CORPORATION, a nonstock nonprofit cultural education facilities finance corporation duly organized and existing under the laws of the State of Texas (the "Issuer"), created and acting on behalf of the city of New Hope, Texas, for value received, promises to pay, from the sources described herein, to the registered owner specified above, or registered assigns, the principal amount specified above, on the maturity date specified above (unless this Bond shall have been called for prior redemption) and to pay, from such sources, interest on said sum on May 15 and November 15 of each year, commencing May 15, 2022, at the interest rate specified above, until payment of the principal hereof has been made or provided for. This Bond will bear interest from the most recent interest payment date to which interest has been paid or provided for, or, if no interest has been paid, from the Delivery Date of this Bond. Defined terms used herein shall have the meanings given such terms in the Bond Indenture described below.

NEITHER THE STATE OF TEXAS NOR ANY POLITICAL SUBDIVISION OR AGENCY OF THE STATE OF TEXAS, INCLUDING THE CITY OF NEW HOPE, TEXAS, SHALL BE LIABLE OR OBLIGATED (GENERALLY, SPECIALLY, MORALLY OR OTHERWISE) TO PAY THE PRINCIPAL OF THIS BOND OR THE PREMIUM, IF ANY, OR INTEREST HEREON, AND NEITHER THE FAITH AND CREDIT NOR THE TAXING POWER OF THE STATE OF TEXAS, TOWN OF NEW HOPE, TEXAS, OR ANY OTHER POLITICAL SUBDIVISION OR AGENCY THEREOF IS PLEDGED TO THE PAYMENT OF THE PRINCIPAL OF, PREMIUM, IF ANY, OR INTEREST ON THE BONDS. THE ISSUER HAS NO TAXING POWER.

This Bond and the series of Bonds of which it is a part have been issued under and pursuant to the provisions of the Cultural Education Facilities Finance Act, Chapter 337, Texas Local Government Code, as amended (the "Act"). This Bond is a limited obligation of the Issuer payable solely from the revenues, receipts and resources of the Issuer pledged to its payment and not from any other revenues, funds or assets of the Issuer. No owner of any Bonds has the right to compel the Town of New Hope, Texas to pay the principal of, interest or premium, if any, on the Bonds.

The principal of and premium, if any, on this Bond are payable upon the presentation and surrender hereof at the designated corporate trust office of UMB Bank, N.A., as trustee, or at the designated corporate trust office of its successor in trust (the "Bond Trustee") under an Indenture of Trust dated as of November 1, 2021 (the "Bond Indenture") between the Issuer and the Bond Trustee. Interest on this Bond will be paid on each interest payment date (or, if such interest payment date is not a business day, on the next succeeding business day), by check or draft mailed to the Person in whose name this Bond is registered (the "registered owner") in the registration records of the Issuer maintained by the

Bond Trustee at the address appearing thereon at the close of business on the last day of the calendar month next preceding such interest payment date (the “Regular Record Date”) or by wire transfer of same day funds upon receipt by the Bond Trustee prior to the Regular Record Date of a written request by a registered owner of \$1,000,000 or more in aggregate principal amount of Bonds. The CUSIP number and appropriate dollar amounts for each CUSIP number shall accompany all payments of principal of, redemption premium, if any, and interest on the Bonds. Any such interest not so timely paid or duly provided for shall cease to be payable to the Person who is the registered owner hereof at the close of business on the Regular Record Date and shall be payable to the Person who is the registered owner hereof at the close of business on a Special Record Date (as defined in the hereinafter defined Agreement), for the payment of any defaulted interest. Such Special Record Date shall be fixed by the Bond Trustee whenever moneys become available for payment of the defaulted interest, and notice of the Special Record Date shall be given to the registered owners of such Bonds not less than ten days prior to such Special Record Date. Alternative means of payment of interest may be used if mutually agreed upon between the owner of this Bond and the Bond Trustee, as provided in the Bond Indenture. All such payments shall be made in lawful money of the United States of America without deduction for the services of the Bond Trustee.

This Bond shall be issued pursuant to a book entry system administered by The Depository Trust Company (together with any successor thereto, “Securities Depository”). The book entry system will evidence beneficial ownership of the Bonds with transfers of ownership effected on the register held by the Securities Depository pursuant to rules and procedures established by the Securities Depository. So long as the book entry system is in effect, transfer of principal, interest and premium payments, and provisions of notices or other communications, to beneficial owners of the Bonds will be the responsibility of the Securities Depository as set forth in the Bond Indenture.

This Bond is one of a duly authorized series of bonds of the Issuer dated the Delivery Date, known as “New Hope Cultural Education Facilities Finance Corporation Retirement Facility Revenue Bonds (Buckingham Senior Living Community, Inc. Project) Series 2021A-1” (the “Series 2021A-1 Bonds”) and issued in an aggregate principal amount of \$3,920,000 for the purpose of providing funds to be loaned to Buckingham Senior Living Community, Inc., a Texas nonprofit corporation (the “Obligor”), to be used to finance certain capital improvements at the Series 2021 Project; funding a debt service reserve fund; and paying a portion of the cost of issuance.

To provide for its loan repayment obligations, the Obligor has issued its Series 2021A-1 Note (the “Series 2021A-1 Note”) under a Loan Agreement dated as of November 1, 2021, between the Issuer and the Obligor (the “Agreement”). The Series 2021A-1 Note is issued pursuant to an Amended and Restated Master Trust Indenture, Deed of Trust and Security Agreement dated as of November 1, 2021, as supplemented (the “Master Indenture”), between the Obligor and UMB Bank, n.a., as master trustee (the “Master Trustee”) and constitutes a Senior Obligation thereunder. Pursuant to the Master Indenture, the Obligated Group has pledged and granted a security interest in the Gross Revenues (as defined in the Master Indenture) and certain real and personal property to the Master Trustee to secure the Series 2021A-1 Note. The Issuer, on behalf of the Obligor, has also issued its Retirement Facility Revenue Bonds (Buckingham Senior Living Community, Inc. Project) Series 2021A-2 (Federally Taxable) (the “Series 2021A-2 Bonds” and, together with the Series 2021A-1 Bonds, the “Series 2021A Bonds”) under the Bond Indenture which are on a parity with the Series 2021A-1 Bonds and will also be secured by a parity note issued under the Master Indenture. The Issuer, on behalf of the Obligor, has also issued its Retirement Facility Revenue Bonds (Buckingham Senior Living Community, Inc. Project) Series 2021B (the “Series 2021B Bonds” and, together with the Series 2021A Bonds, the “Series 2021 Bonds”) under the Bond Indenture which are subordinate to the Series 2021A Bonds and will also be secured by a subordinate note issued under the Master Indenture. Additional obligations on a parity with the Series 2021A-1 Note have been and may be issued pursuant to the Master Indenture subject to the conditions

and terms contained therein, and the payments on such additional obligations will also be secured by a pledge of the Gross Revenues and certain real and personal property.

This Bond and the claims for interest hereon are payable only out of the revenues derived by the Issuer pursuant to the Agreement. The Series 2021A Bonds are issued under and are entitled to the protection given by the Bond Indenture and are equally and ratably secured under the Bond Indenture prior to the Series 2021B Bonds.

No recourse under or upon any obligation, covenant, or agreement contained in the Bond Indenture, or in any Bond, or under any judgment obtained against the Issuer or by the enforcement of any assessment or by any legal or equitable proceeding by virtue of any constitution or statute or otherwise or under any circumstances, under or independent of the Bond Indenture, shall be had against any director, incorporator, officer, agent, employee, or representative as such, past, present or future, of the Issuer, either directly or through the Issuer or otherwise, for the payment for or to the Issuer or for or to the registered owner of any Bond issued thereunder or otherwise, of any sum that may be due and unpaid by the Issuer upon any such Bond.

Neither the directors, incorporators, officers, agents, employees or representatives of the Issuer past, present or future, nor any person executing this Bond or the Bond Indenture, shall be personally liable hereon or thereon or be subject to any personal liability by reason of the issuance hereof and thereof, whether by virtue of any constitution, statute or rule of law or by the enforcement of any assessment or penalty, or otherwise, all such liability being expressly released and waived as a condition of and in consideration for the execution of the Bond Indenture and the issuance of this Bond.

Additional series of Bonds may be issued by the Issuer in accordance with the limitations and conditions of the Bond Indenture, which Bonds may be in all respects on a parity with the Series 2021A Bonds. Such additional Bonds may be issued at different times, in various principal amounts and denominations, may mature at different times, may bear interest at different rates, may be redeemable at different prices and may otherwise vary as provided in the Bond Indenture. The Series 2021A Bonds and such additional Bonds are herein collectively called the “Senior Bonds” and together with the Series 2021B Bonds and any Subordinate Bonds issued on parity with the Series 2021B Bonds, the “Bonds”). Reference is hereby made to the Bond Indenture and all indentures supplemental thereto and the Master Indenture for a description of the revenues pledged, the nature and extent of the security, the rights, duties, and obligations of the Issuer, the Bond Trustee and the owners of the Bonds, and the terms and conditions upon which the Bonds are, and are to be, secured.

The Series 2021A-1 Bonds are subject to redemption prior to maturity on each Excess Cash Redemption Date from Excess Cash, to the extent of Excess Cash in the Excess Cash Account of the Bond Fund as set forth in the Bond Indenture at a redemption price equal to the principal amount of such Series 2021A-1 Bonds to be redeemed, together with accrued and unpaid interest to the Excess Cash Redemption Date; however the Series 2021A-1 Bonds shall not be redeemed from Excess Cash until the Series 2021A-2 Bonds are paid in full.

The Series 2021A-1 Bonds are subject to mandatory sinking fund redemption at a redemption price equal to the principal amount thereof plus accrued and unpaid interest to the redemption date. As and for a sinking fund for the redemption of such Series 2021A-1 Bonds, the Issuer shall cause to be deposited into the Principal Account of the Bond Fund a sum which is sufficient to redeem on November 15 of each of the following years (after credit as provided below) the following principal amounts of such Series 2021A-1 Bonds, plus accrued and unpaid interest to the redemption date:

<u>Year</u>	<u>Amount</u>	<u>Year</u>	<u>Amount</u>
2036	\$493,000	2037*	\$3,427,000

*maturity

At the option of the Obligor to be exercised by delivery of a written certificate to the Bond Trustee on or before the forty-fifth day next preceding any sinking fund redemption date, it may (i) deliver to the Bond Trustee for cancellation Series 2021A-1 Bonds or portions thereof of the same maturity and interest rate, in an aggregate principal amount desired by the Obligor or (ii) specify a principal amount of Series 2021A-1 Bonds or portions thereof of the same maturity and interest rate, which prior to said date have been redeemed (otherwise than through the operation of the sinking fund) and canceled by the Bond Trustee at the request of the Obligor and not theretofore applied as a credit against any sinking fund redemption obligation.

The Series 2012A-1 Bonds shall also be subject to optional redemption by the Issuer at the direction of the Obligor prior to their scheduled maturities, in whole or in part at a redemption price equal to the principal amount thereof plus accrued and unpaid interest from the most recent interest payment date to the redemption date on any date following the occurrence of any of the following events:

(1) in case of damage or destruction to, or condemnation of, any property, plant, and equipment of any Obligated Group Member, to the extent that the net proceeds of insurance or condemnation award exceed the Threshold Amount (as defined in the Master Indenture), and the Obligor has determined not to use such net proceeds or award to repair, rebuild or replace such property, plant, and equipment; or

(2) as a result of any changes in the Constitution or laws of the State of Texas or of the United States of America or of any legislative, executive, or administrative action (whether state or federal) or of any final decree, judgment, or order of any court or administrative body (whether state or federal), the obligations of the Obligor under the Agreement have become, as established by an Opinion of Counsel, void or unenforceable in each case in any material respect in accordance with the intent and purpose of the parties as expressed in the Agreement.

If less than all Series 2021A-1 Bonds are to be redeemed, the selection shall be made by the Securities Depository or by lot by the Bond Trustee. Notice of the call for any redemption shall be given by the Bond Trustee by sending a copy of the redemption notice by mail not more than 60 nor less than 30 days prior to the redemption date to the registered owner of each Bond to be redeemed as shown on the registration records kept by the Bond Trustee, as provided in the Bond Indenture. All Bonds or portions thereof called for redemption will cease to bear interest after the specified redemption date, provided funds for their payment are on deposit at the place of payment at that time. Redemption of Series 2021A-1 Bonds may be conditioned upon the deposit of moneys with the Bond Trustee in an amount sufficient to pay the redemption price of such Series 2021A-1 Bonds.

In lieu of redeeming the Series 2021A-1 Bonds, the Bond Trustee shall, at the direction of the Obligor, use such funds otherwise available under the Bond Indenture for redemption of Series 2021A-1 Bonds to purchase Series 2021A-1 Bonds as described in the Bond Indenture.

The Series 2021A-1 Bonds are issuable as fully registered Bonds in denominations of \$5,000 and any integral multiple thereof and are exchangeable for an equal aggregate principal amount of fully registered Series 2021A-1 Bonds of the same maturity and interest rate of other authorized denominations at the aforesaid office of the Bond Trustee but only in the manner and subject to the limitations and on payment of the charges provided in the Bond Indenture.

This Bond is fully transferable by the registered owner hereof in person or by his or her duly authorized attorney on the registration books kept at the designated corporate trust office of the Bond Trustee upon surrender of this Bond together with a duly executed written instrument of transfer satisfactory to the Bond Trustee. Upon such transfer a new fully registered Series 2021A-1 Bond of authorized denomination or denominations for the same aggregate principal amount, maturity and interest rate will be issued to the transferee in exchange herefor, all upon payment of the charges and subject to the terms and conditions set forth in the Bond Indenture.

The Bond Trustee will not be required to transfer or exchange any Series 2021A-1 Bond after the mailing of notice calling such Series 2021A-1 Bond or any portion thereof for redemption has been given as herein provided, nor during the period beginning at the opening of business 15 days before the day of mailing by the Bond Trustee of a notice of redemption and ending at the close of business on the day of such mailing.

The Issuer and the Bond Trustee may deem and treat the Person in whose name this Bond is registered as the absolute owner hereof for the purpose of making payment (except to the extent otherwise provided hereinabove and in the Bond Indenture with respect to Regular and Special Record Dates for the payment of interest) and for all other purposes, and neither the Issuer nor the Bond Trustee shall be affected by any notice to the contrary. The principal of, premium, if any, and interest on this Bond shall be paid free from and without regard to any equities between the Obligor and the original or any intermediate owner hereof, or any setoffs or counterclaims.

The owner of this Bond shall have no right to enforce the provisions of the Bond Indenture or to institute action to enforce the covenants therein, or to take any action with respect to any event of default under the Bond Indenture, or to institute, appear in or defend any suit or other proceedings with respect thereto, except as provided in the Bond Indenture. In case an event of default under the Bond Indenture shall occur, the principal of all of the Bonds at any such time Outstanding under the Bond Indenture may be declared or may become due and payable, upon the conditions and in the manner and with the effect provided in the Bond Indenture. The Bond Indenture provides that such declaration may in certain events be waived by the Bond Trustee or the owners of a requisite principal amount of the Bonds Outstanding under the Bond Indenture.

To the extent permitted by, and as provided in, the Bond Indenture, modifications or amendments of the Bond Indenture, or of any indenture supplemental thereto, and of the rights and obligations of the Issuer and of the owners of the Bonds may be made with the consent of the Issuer and the Bond Trustee and, in certain instances, of not less than a majority in aggregate principal amount of the Bonds then Outstanding; provided, however, that no such modification or amendment shall be made which will affect the terms of payment of the principal of, premium, if any, or interest on any of the Bonds, which are unconditional. Any such consent by the owner of this Bond shall be conclusive and binding upon such owner and upon all future owners of this Bond and of any Bond issued upon the transfer or exchange of this Bond whether or not notation of such consent is made upon this Bond.

IT IS HEREBY CERTIFIED, RECITED AND DECLARED that all acts, conditions and things required to exist, happen and be performed precedent to and in the execution and delivery of the Bond Indenture and issuance of this Bond do exist, have happened and have been performed in due time, form and manner as required by law.

THIS BOND shall not be entitled to any benefit under the Bond Indenture, or any indenture supplemental thereto, or become valid or obligatory for any purpose until (i) the Bond Trustee shall have manually signed the certificate of authentication hereon or (ii) a manually signed Comptroller's Registration Certificate is attached hereto.

IN WITNESS WHEREOF, New Hope Cultural Education Facilities Finance Corporation has caused this Bond to be executed with the manual or facsimile signatures of its President and Assistant Secretary, and a facsimile of its corporate seal to be hereto affixed or printed, all as of the date set forth above.

NEW HOPE CULTURAL EDUCATION FACILITIES FINANCE
CORPORATION

By: _____
President

(SEAL)

Attest:

Assistant Secretary

(FORM OF TRUSTEE'S CERTIFICATE OF AUTHENTICATION)

This is one of the Series 2021A-1 Bonds referred to in the within mentioned Bond Indenture.

Date of Authentication: UMB BANK, N.A., as Bond Trustee

By: _____
Authorized Signatory

(END OF FORM OF TRUSTEE'S CERTIFICATE OF AUTHENTICATION)

(FORM OF COMPTROLLER'S REGISTRATION CERTIFICATE)
(To be attached to initial Bonds only)

COMPTROLLER'S REGISTRATION CERTIFICATE: REGISTER NO.

I hereby certify that this Bond has been examined, certified as to validity, and approved by the Attorney General of the State of Texas, and that this Bond has been registered by the Comptroller of Public Accounts of the State of Texas.

Witness my signature and seal this _____.

Comptroller of Public Accounts
of the State of Texas

[SEAL]

(END OF FORM OF COMPTROLLER'S REGISTRATION CERTIFICATE)

[FORM OF ASSIGNMENT]

ASSIGNMENT

For value received, the undersigned hereby sells, assigns and transfers unto _____ the within Bond, and does hereby irrevocably constitute and appoint _____ attorney to transfer such Bond on the books kept for registration and transfer of the within Bond, with full power of substitution in the premises.

Date: _____

NOTICE: The signature to this Assignment must correspond with the name as it appears upon the face of the within Bond in every particular, without enlargement or alteration or any change whatsoever.

Signature Guaranteed By:

Authorized Signatory

NOTE: The signature to this Assignment must be guaranteed by a financial institution that is a member of the Securities Transfer Agents Medallion Program ("STAMP"), the Stock Exchange Medallion Program ("SEMP") or the New York Stock Exchange, Inc. Medallion Signature Program ("MSP").

* * * [END OF SERIES 201A-1 BOND FORM] * * *

WHEREAS, the Issuer has determined to issue an initial series of Bonds hereunder designated “New Hope Cultural Education Facilities Finance Corporation Retirement Facility Revenue Bonds (Buckingham Senior Living Community, Inc. Project) Series 2021A-2 (Federally Taxable)” (hereinafter called the “Series 2021A-2 Bonds”) in the aggregate principal amount of \$24,580,000 for the purpose of financing startup expenses for the Obligor; funding a debt service reserve fund; and paying a portion of the cost of issuance; and

WHEREAS, the Series 2021A-2 Bonds, the Bond Trustee's Authentication Certificate, the Comptroller's Registration Certificate and the Assignment are to be substantially in the following forms, with such necessary or appropriate variations, omissions, and insertions as permitted or required by this Bond Indenture:

(FORM OF SERIES 2021A-2 BOND)
(Face of Bond)

NEW HOPE CULTURAL EDUCATION FACILITIES FINANCE CORPORATION
RETIREMENT FACILITY REVENUE BONDS
(BUCKINGHAM SENIOR LIVING COMMUNITY, INC. PROJECT)
SERIES 2021A-2 (FEDERALLY TAXABLE)

No. R-1 \$24,580,000

<u>Interest Rate</u>	<u>Maturity Date</u>	<u>Delivery Date</u>	<u>Cusip No.</u>
7.50%	November 15, 2037		

REGISTERED OWNER: CEDE & CO.
PRINCIPAL AMOUNT: TWENTY FOUR MILLION FIVE HUNDRED EIGHTY THOUSAND DOLLARS

NEW HOPE CULTURAL EDUCATION FACILITIES FINANCE CORPORATION, a nonstock nonprofit cultural education facilities finance corporation duly organized and existing under the laws of the State of Texas (the “Issuer”), created and acting on behalf of the city of New Hope, Texas, for value received, promises to pay, from the sources described herein, to the registered owner specified above, or registered assigns, the principal amount specified above, on the maturity date specified above (unless this Bond shall have been called for prior redemption) and to pay, from such sources, interest on said sum on May 15 and November 15 of each year, commencing May 15, 2022, at the interest rate specified above, until payment of the principal hereof has been made or provided for. This Bond will bear interest from the most recent interest payment date to which interest has been paid or provided for, or, if no interest has been paid, from the Delivery Date of this Bond. Defined terms used herein shall have the meanings given such terms in the Bond Indenture described below.

NEITHER THE STATE OF TEXAS NOR ANY POLITICAL SUBDIVISION OR AGENCY OF THE STATE OF TEXAS, INCLUDING THE CITY OF NEW HOPE, TEXAS, SHALL BE LIABLE OR OBLIGATED (GENERALLY, SPECIALLY, MORALLY OR OTHERWISE) TO PAY THE PRINCIPAL OF THIS BOND OR THE PREMIUM, IF ANY, OR INTEREST HEREON, AND NEITHER THE FAITH AND CREDIT NOR THE TAXING POWER OF THE STATE OF TEXAS, TOWN OF NEW HOPE, TEXAS, OR ANY OTHER POLITICAL SUBDIVISION OR AGENCY

THEREOF IS PLEDGED TO THE PAYMENT OF THE PRINCIPAL OF, PREMIUM, IF ANY, OR INTEREST ON THE BONDS. THE ISSUER HAS NO TAXING POWER.

This Bond and the series of Bonds of which it is a part have been issued under and pursuant to the provisions of the Cultural Education Facilities Finance Act, Chapter 337, Texas Local Government Code, as amended (the “Act”). This Bond is a limited obligation of the Issuer payable solely from the revenues, receipts and resources of the Issuer pledged to its payment and not from any other revenues, funds or assets of the Issuer. No owner of any Bonds has the right to compel the Town of New Hope, Texas to pay the principal of, interest or premium, if any, on the Bonds.

The principal of and premium, if any, on this Bond are payable upon the presentation and surrender hereof at the designated corporate trust office of UMB Bank, n.a., as trustee, or at the designated corporate trust office of its successor in trust (the “Bond Trustee”) under an Indenture of Trust dated as of November 1, 2021 (the “Bond Indenture”) between the Issuer and the Bond Trustee. Interest on this Bond will be paid on each interest payment date (or, if such interest payment date is not a business day, on the next succeeding business day), by check or draft mailed to the Person in whose name this Bond is registered (the “registered owner”) in the registration records of the Issuer maintained by the Bond Trustee at the address appearing thereon at the close of business on the last day of the calendar month next preceding such interest payment date (the “Regular Record Date”) or by wire transfer of same day funds upon receipt by the Bond Trustee prior to the Regular Record Date of a written request by a registered owner of \$1,000,000 or more in aggregate principal amount of Bonds. The CUSIP number and appropriate dollar amounts for each CUSIP number shall accompany all payments of principal of, redemption premium, if any, and interest on the Bonds. Any such interest not so timely paid or duly provided for shall cease to be payable to the Person who is the registered owner hereof at the close of business on the Regular Record Date and shall be payable to the Person who is the registered owner hereof at the close of business on a Special Record Date (as defined in the hereinafter defined Agreement), for the payment of any defaulted interest. Such Special Record Date shall be fixed by the Bond Trustee whenever moneys become available for payment of the defaulted interest, and notice of the Special Record Date shall be given to the registered owners of such Bonds not less than ten days prior to such Special Record Date. Alternative means of payment of interest may be used if mutually agreed upon between the owner of this Bond and the Bond Trustee, as provided in the Bond Indenture. All such payments shall be made in lawful money of the United States of America without deduction for the services of the Bond Trustee.

This Bond shall be issued pursuant to a book entry system administered by The Depository Trust Company (together with any successor thereto, “Securities Depository”). The book entry system will evidence beneficial ownership of the Bonds with transfers of ownership effected on the register held by the Securities Depository pursuant to rules and procedures established by the Securities Depository. So long as the book entry system is in effect, transfer of principal, interest and premium payments, and provisions of notices or other communications, to beneficial owners of the Bonds will be the responsibility of the Securities Depository as set forth in the Bond Indenture.

This Bond is one of a duly authorized series of bonds of the Issuer dated the Delivery Date, known as “New Hope Cultural Education Facilities Finance Corporation Retirement Facility Revenue Bonds (Buckingham Senior Living Community, Inc. Project) Series 2021A-2 (Federally Taxable)” (the “Series 2021A-2 Bonds”) and issued in an aggregate principal amount of \$24,580,000 for the purpose of providing funds to be loaned to Buckingham Senior Living Community, Inc., a Texas nonprofit corporation (the “Obligor”), to be used to finance startup expenses for the Obligor; funding a debt service reserve fund; and paying a portion of the cost of issuance.

To provide for its loan repayment obligations, the Obligor has issued its Series 2021A-2 Note (the “Series 2021A-2 Note”) under a Loan Agreement dated as of November 1, 2021, between the Issuer and the Obligor (the “Agreement”). The Series 2021A-2 Note is issued pursuant to an Amended and Restated Master Trust Indenture, Deed of Trust and Security Agreement dated as of November 1, 2021, as supplemented (the “Master Indenture”), between the Obligor and UMB Bank, N.A., as master trustee (the “Master Trustee”) and constitutes a Senior Obligation thereunder. Pursuant to the Master Indenture, the Obligated Group has pledged and granted a security interest in the Gross Revenues (as defined in the Master Indenture) and certain real and personal property to the Master Trustee to secure the Series 2021A-2 Note. The Issuer, on behalf of the Obligor, has also issued its Retirement Facility Revenue Bonds (Buckingham Senior Living Community, Inc. Project) Series 2021A-1 (the “Series 2021A-1 Bonds”) and, together with the Series 2021A-2 Bonds, the “Series 2021A Bonds”) under the Bond Indenture which are on a parity with the Series 2021A-2 Bonds and will also be secured by a parity note issued under the Master Indenture. The Issuer, on behalf of the Obligor, has also issued its Retirement Facility Revenue Bonds (Buckingham Senior Living Community, Inc. Project) Series 2021B (the “Series 2021B Bonds”) and, together with the Series 2021A Bonds, the “Series 2021 Bonds”) under the Bond Indenture which are subordinate to the Series 2021A Bonds and will also be secured by a subordinate note issued under the Master Indenture. Additional obligations on a parity with the Series 2021A-2 Note have been and may be issued pursuant to the Master Indenture subject to the conditions and terms contained therein, and the payments on such additional obligations will also be secured by a pledge of the Gross Revenues and certain real and personal property.

This Bond and the claims for interest hereon are payable only out of the revenues derived by the Issuer pursuant to the Agreement. The Series 2021A Bonds are issued under and are entitled to the protection given by the Bond Indenture and are equally and ratably secured under the Bond Indenture prior to the Series 2021B Bonds.

No recourse under or upon any obligation, covenant, or agreement contained in the Bond Indenture, or in any Bond, or under any judgment obtained against the Issuer or by the enforcement of any assessment or by any legal or equitable proceeding by virtue of any constitution or statute or otherwise or under any circumstances, under or independent of the Bond Indenture, shall be had against any director, incorporator, officer, agent, employee, or representative as such, past, present or future, of the Issuer, either directly or through the Issuer or otherwise, for the payment for or to the Issuer or for or to the registered owner of any Bond issued thereunder or otherwise, of any sum that may be due and unpaid by the Issuer upon any such Bond.

Neither the directors, incorporators, officers, agents, employees or representatives of the Issuer past, present or future, nor any person executing this Bond or the Bond Indenture, shall be personally liable hereon or thereon or be subject to any personal liability by reason of the issuance hereof and thereof, whether by virtue of any constitution, statute or rule of law or by the enforcement of any assessment or penalty, or otherwise, all such liability being expressly released and waived as a condition of and in consideration for the execution of the Bond Indenture and the issuance of this Bond.

Additional series of Bonds may be issued by the Issuer in accordance with the limitations and conditions of the Bond Indenture, which Bonds may be in all respects on a parity with the Series 2021A Bonds. Such additional Bonds may be issued at different times, in various principal amounts and denominations, may mature at different times, may bear interest at different rates, may be redeemable at different prices and may otherwise vary as provided in the Bond Indenture. The Series 2021A Bonds and such additional Bonds are herein collectively called the “Senior Bonds” and together with the Series 2021B Bonds and any Subordinate Bonds issued on parity with the Series 2021B Bonds, the “Bonds”). Reference is hereby made to the Bond Indenture and all indentures supplemental thereto and the Master Indenture for a description of the revenues pledged, the nature and extent of the security, the rights,

duties, and obligations of the Issuer, the Bond Trustee and the owners of the Bonds, and the terms and conditions upon which the Bonds are, and are to be, secured.

The Series 2021A-2 Bonds are subject to redemption prior to maturity on each Excess Cash Redemption Date from Excess Cash, to the extent of Excess Cash in the Excess Cash Account of the Bond Fund as set forth in the Bond Indenture at a redemption price equal to the principal amount of such Series 2021A-2 Bonds to be redeemed, together with accrued and unpaid interest to the Excess Cash Redemption Date.

The Series 2021A-2 Bonds are subject to mandatory sinking fund redemption at a redemption price equal to the principal amount thereof plus accrued and unpaid interest to the redemption date. As and for a sinking fund for the redemption of such Series 2021A-2 Bonds, the Issuer shall cause to be deposited into the Principal Account of the Bond Fund a sum which is sufficient to redeem on November 15 of each of the following years (after credit as provided below) the following principal amounts of such Series 2021A-2 Bonds, plus accrued and unpaid interest to the redemption date:

<u>Year</u>	<u>Amount</u>	<u>Year</u>	<u>Amount</u>
2026	\$1,547,000	2032	\$2,387,000
2027	1,663,000	2033	2,566,000
2028	1,788,000	2034	2,759,000
2029	1,922,000	2035	2,966,000
2030	2,066,000	2036*	2,695,000
2031	2,221,000		

*maturity

At the option of the Obligor to be exercised by delivery of a written certificate to the Bond Trustee on or before the forty-fifth day next preceding any sinking fund redemption date, it may (i) deliver to the Bond Trustee for cancellation Series 2021A-2 Bonds or portions thereof of the same maturity and interest rate, in an aggregate principal amount desired by the Obligor or (ii) specify a principal amount of Series 2021A-2 Bonds or portions thereof of the same maturity and interest rate, which prior to said date have been redeemed (otherwise than through the operation of the sinking fund) and canceled by the Bond Trustee at the request of the Obligor and not theretofore applied as a credit against any sinking fund redemption obligation.

The Series 2021A-2 Bonds shall also be subject to optional redemption by the Issuer at the direction of the Obligor prior to their scheduled maturities, in whole or in part at a redemption price equal to the principal amount thereof plus accrued and unpaid interest from the most recent interest payment date to the redemption date on any date following the occurrence of any of the following events:

(1) in case of damage or destruction to, or condemnation of, any property, plant, and equipment of any Obligated Group Member, to the extent that the net proceeds of insurance or condemnation award exceed the Threshold Amount (as defined in the Master Indenture), and the Obligor has determined not to use such net proceeds or award to repair, rebuild or replace such property, plant, and equipment; or

(2) as a result of any changes in the Constitution or laws of the State of Texas or of the United States of America or of any legislative, executive, or administrative action (whether state or federal) or of any final decree, judgment, or order of any court or administrative body (whether state or federal), the obligations of the Obligor under the Agreement have become, as established by an Opinion

of Counsel, void or unenforceable in each case in any material respect in accordance with the intent and purpose of the parties as expressed in the Agreement.

If less than all Series 2021A-2 Bonds are to be redeemed, the selection shall be made by the Securities Depository or by lot by the Bond Trustee. Notice of the call for any redemption shall be given by the Bond Trustee by sending a copy of the redemption notice by mail not more than 60 nor less than 30 days prior to the redemption date to the registered owner of each Bond to be redeemed as shown on the registration records kept by the Bond Trustee, as provided in the Bond Indenture. All Bonds or portions thereof called for redemption will cease to bear interest after the specified redemption date, provided funds for their payment are on deposit at the place of payment at that time. Redemption of Series 2021A-2 Bonds may be conditioned upon the deposit of moneys with the Bond Trustee in an amount sufficient to pay the redemption price of such Series 2021A-2 Bonds.

In lieu of redeeming the Series 2021A-2 Bonds, the Bond Trustee shall, at the direction of the Obligor, use such funds otherwise available under the Bond Indenture for redemption of Series 2021A-2 Bonds to purchase Series 2021A-2 Bonds as described in the Bond Indenture.

The Series 2021A-2 Bonds are issuable as fully registered Bonds in denominations of \$5,000 and any integral multiple thereof and are exchangeable for an equal aggregate principal amount of fully registered Series 2021A-2 Bonds of the same maturity and interest rate of other authorized denominations at the aforesaid office of the Bond Trustee but only in the manner and subject to the limitations and on payment of the charges provided in the Bond Indenture.

This Bond is fully transferable by the registered owner hereof in person or by his or her duly authorized attorney on the registration books kept at the designated corporate trust office of the Bond Trustee upon surrender of this Bond together with a duly executed written instrument of transfer satisfactory to the Bond Trustee. Upon such transfer a new fully registered Series 2021A-2 Bond of authorized denomination or denominations for the same aggregate principal amount, maturity and interest rate will be issued to the transferee in exchange herefor, all upon payment of the charges and subject to the terms and conditions set forth in the Bond Indenture.

The Bond Trustee will not be required to transfer or exchange any Series 2021A-2 Bond after the mailing of notice calling such Series 2021A-2 Bond or any portion thereof for redemption has been given as herein provided, nor during the period beginning at the opening of business 15 days before the day of mailing by the Bond Trustee of a notice of redemption and ending at the close of business on the day of such mailing.

The Issuer and the Bond Trustee may deem and treat the Person in whose name this Bond is registered as the absolute owner hereof for the purpose of making payment (except to the extent otherwise provided hereinabove and in the Bond Indenture with respect to Regular and Special Record Dates for the payment of interest) and for all other purposes, and neither the Issuer nor the Bond Trustee shall be affected by any notice to the contrary. The principal of, premium, if any, and interest on this Bond shall be paid free from and without regard to any equities between the Obligor and the original or any intermediate owner hereof, or any setoffs or counterclaims.

The owner of this Bond shall have no right to enforce the provisions of the Bond Indenture or to institute action to enforce the covenants therein, or to take any action with respect to any event of default under the Bond Indenture, or to institute, appear in or defend any suit or other proceedings with respect thereto, except as provided in the Bond Indenture. In case an event of default under the Bond Indenture shall occur, the principal of all of the Bonds at any such time Outstanding under the Bond Indenture may be declared or may become due and payable, upon the conditions and in the manner and with the effect

provided in the Bond Indenture. The Bond Indenture provides that such declaration may in certain events be waived by the Bond Trustee or the owners of a requisite principal amount of the Bonds Outstanding under the Bond Indenture.

To the extent permitted by, and as provided in, the Bond Indenture, modifications or amendments of the Bond Indenture, or of any indenture supplemental thereto, and of the rights and obligations of the Issuer and of the owners of the Bonds may be made with the consent of the Issuer and the Bond Trustee and, in certain instances, of not less than a majority in aggregate principal amount of the Bonds then Outstanding; provided, however, that no such modification or amendment shall be made which will affect the terms of payment of the principal of, premium, if any, or interest on any of the Bonds, which are unconditional. Any such consent by the owner of this Bond shall be conclusive and binding upon such owner and upon all future owners of this Bond and of any Bond issued upon the transfer or exchange of this Bond whether or not notation of such consent is made upon this Bond.

IT IS HEREBY CERTIFIED, RECITED AND DECLARED that all acts, conditions and things required to exist, happen and be performed precedent to and in the execution and delivery of the Bond Indenture and issuance of this Bond do exist, have happened and have been performed in due time, form and manner as required by law.

THIS BOND shall not be entitled to any benefit under the Bond Indenture, or any indenture supplemental thereto, or become valid or obligatory for any purpose until (i) the Bond Trustee shall have manually signed the certificate of authentication hereon or (ii) a manually signed Comptroller's Registration Certificate is attached hereto.

IN WITNESS WHEREOF, New Hope Cultural Education Facilities Finance Corporation has caused this Bond to be executed with the manual or facsimile signatures of its President and Assistant Secretary, and a facsimile of its corporate seal to be hereto affixed or printed, all as of the date set forth above.

NEW HOPE CULTURAL EDUCATION FACILITIES
FINANCE CORPORATION

By: _____
President

(SEAL)

Attest:

Assistant Secretary

(FORM OF TRUSTEE'S CERTIFICATE OF AUTHENTICATION)

This is one of the Series 2021A-2 Bonds referred to in the within mentioned Bond Indenture.

Date of Authentication: UMB BANK, N.A., as Bond Trustee

By: _____
Authorized Signatory

(END OF FORM OF TRUSTEE'S CERTIFICATE OF AUTHENTICATION)

(FORM OF COMPTROLLER'S REGISTRATION CERTIFICATE)
(To be attached to initial Bonds only)

COMPTROLLER'S REGISTRATION CERTIFICATE: REGISTER NO.

I hereby certify that this Bond has been examined, certified as to validity, and approved by the Attorney General of the State of Texas, and that this Bond has been registered by the Comptroller of Public Accounts of the State of Texas.

Witness my signature and seal this _____.

Comptroller of Public Accounts
of the State of Texas

[SEAL]

(END OF FORM OF COMPTROLLER'S REGISTRATION CERTIFICATE)

[FORM OF ASSIGNMENT]

ASSIGNMENT

For value received, the undersigned hereby sells, assigns and transfers unto _____ the within Bond, and does hereby irrevocably constitute and appoint _____ attorney to transfer such Bond on the books kept for registration and transfer of the within Bond, with full power of substitution in the premises.

Date: _____

NOTICE: The signature to this Assignment must correspond with the name as it appears upon the face of the within Bond in every particular, without enlargement or alteration or any change whatsoever.

Signature Guaranteed By:

Authorized Signatory

NOTE: The signature to this Assignment must be guaranteed by a financial institution that is a member of the Securities Transfer Agents Medallion Program (“STAMP”), the Stock Exchange Medallion Program (“SEMP”) or the New York Stock Exchange, Inc. Medallion Signature Program (“MSP”).

* * * [END OF SERIES 2021A-2 BOND FORM] * * *

WHEREAS, the Issuer has determined to issue an initial series of Bonds hereunder designated “New Hope Cultural Education Facilities Finance Corporation Retirement Facility Revenue Bonds (Buckingham Senior Living Community, Inc. Project) Series 2021B” (hereinafter called the “Series 2021B Bonds”) in the aggregate principal amount of \$140,340,000 for the purpose of refinancing the Existing Bonds; and

WHEREAS, the Series 2021B Bonds, the Bond Trustee's Authentication Certificate, the Comptroller's Registration Certificate and the Assignment are to be substantially in the following forms, with such necessary or appropriate variations, omissions, and insertions as permitted or required by this Bond Indenture:

(FORM OF SERIES 2021B BOND)
(Face of Bond)

NEW HOPE CULTURAL EDUCATION FACILITIES FINANCE CORPORATION
RETIREMENT FACILITY REVENUE BONDS
(BUCKINGHAM SENIOR LIVING COMMUNITY, INC. PROJECT)
SERIES 2021B

No. R-1 \$140,340,000

<u>Interest Rate</u>	<u>Maturity Date</u>	<u>Delivery Date</u>	<u>Cusip No.</u>
From the Delivery Date	November 15, 2061		
until the Trigger Date: [2.00%]			
From the Trigger Date			
until the Par Call Date: 5.00%			
From the Par Call Date			
until the Maturity Date: 5.625%			

REGISTERED OWNER: CEDE & CO.

PRINCIPAL AMOUNT: ONE HUNDRED FORTY MILLION THREE HUNDRED FORTY THOUSAND DOLLARS

NEW HOPE CULTURAL EDUCATION FACILITIES FINANCE CORPORATION, a nonstock nonprofit cultural education facilities finance corporation duly organized and existing under the laws of the State of Texas (the “Issuer”), created and acting on behalf of the Town of New Hope, Texas, for value received, promises to pay, from the sources described herein, to the registered owner specified above, or registered assigns, the principal amount specified above, on the maturity date specified above (unless this Bond shall have been called for prior redemption) and to pay, from such sources, interest on said sum on May 15 and November 15 of each year, commencing May 15, 2022 (each an “Interest Payment Date”), at

the interest rate specified above, until payment of the principal hereof has been made or provided for; provided however that from the Delivery Date until the Trigger Date (as defined herein), the amount of such unpaid interest shall accrete and be added to the principal amount of the Series 2021B Bonds on the applicable Interest Payment Date and thereafter shall bear interest at the interest rate due on the Series 2021B Bonds. Notwithstanding any provision of this Bond Indenture to the contrary, any reference to the principal of the Series 2021B Bonds shall include any unpaid interest on such Series 2021B Bond which has accreted and been added to the principal amount thereof. This Bond will bear interest from the most recent interest payment date to which interest has been paid or provided for, or, if no interest has been paid or provided for through accretion or otherwise, from the Delivery Date of this Bond. “Trigger Date” means the earlier of (i) November 15, 2026 or (ii) the date the Pre-Effective Date Refund Queue is paid in full. “Par Call Date” means November 15, 2031. Defined terms used herein shall have the meanings given such terms in the Bond Indenture described below.

NEITHER THE STATE OF TEXAS NOR ANY POLITICAL SUBDIVISION OR AGENCY OF THE STATE OF TEXAS, INCLUDING THE CITY OF NEW HOPE, TEXAS, SHALL BE LIABLE OR OBLIGATED (GENERALLY, SPECIALLY, MORALLY OR OTHERWISE) TO PAY THE PRINCIPAL OF THIS BOND OR THE PREMIUM, IF ANY, OR INTEREST HEREON, AND NEITHER THE FAITH AND CREDIT NOR THE TAXING POWER OF THE STATE OF TEXAS, TOWN OF NEW HOPE, TEXAS, OR ANY OTHER POLITICAL SUBDIVISION OR AGENCY THEREOF IS PLEDGED TO THE PAYMENT OF THE PRINCIPAL OF, PREMIUM, IF ANY, OR INTEREST ON THE BONDS. THE ISSUER HAS NO TAXING POWER.

This Bond and the series of Bonds of which it is a part have been issued under and pursuant to the provisions of the Cultural Education Facilities Finance Act, Chapter 337, Texas Local Government Code, as amended (the “Act”). This Bond is a limited obligation of the Issuer payable solely from the revenues, receipts and resources of the Issuer pledged to its payment and not from any other revenues, funds or assets of the Issuer. No owner of any Bonds has the right to compel the Town of New Hope, Texas to pay the principal of, interest or premium, if any, on the Bonds.

The principal of and premium, if any, on this Bond are payable upon the presentation and surrender hereof at the designated corporate trust office of UMB Bank, N.A., as trustee, or at the designated corporate trust office of its successor in trust (the “Bond Trustee”) under an Indenture of Trust dated as of November 1, 2021 (the “Bond Indenture”) between the Issuer and the Bond Trustee. Interest on this Bond will be paid on each interest payment date (or, if such interest payment date is not a business day, on the next succeeding business day), by check or draft mailed to the Person in whose name this Bond is registered (the “registered owner”) in the registration records of the Issuer maintained by the Bond Trustee at the address appearing thereon at the close of business on the last day of the calendar month next preceding such interest payment date (the “Regular Record Date”) or by wire transfer of same day funds upon receipt by the Bond Trustee prior to the Regular Record Date of a written request by a registered owner of \$1,000,000 or more in aggregate principal amount of Bonds. The CUSIP number and appropriate dollar amounts for each CUSIP number shall accompany all payments of principal of, redemption premium, if any, and interest on the Bonds. Any such interest not so timely paid or duly provided for shall cease to be payable to the Person who is the registered owner hereof at the close of business on the Regular Record Date and shall be payable to the Person who is the registered owner hereof at the close of business on a Special Record Date (as defined in the hereinafter defined Agreement), for the payment of any defaulted interest. Such Special Record Date shall be fixed by the Bond Trustee whenever moneys become available for payment of the defaulted interest, and notice of the Special Record Date shall be given to the registered owners of such Bonds not less than ten days prior to such Special Record Date. Alternative means of payment of interest may be used if mutually agreed upon between the owner of this Bond and the Bond Trustee, as provided in the Bond Indenture. All such

payments shall be made in lawful money of the United States of America without deduction for the services of the Bond Trustee.

This Bond shall be issued pursuant to a book entry system administered by The Depository Trust Company (together with any successor thereto, “Securities Depository”). The book entry system will evidence beneficial ownership of the Bonds with transfers of ownership effected on the register held by the Securities Depository pursuant to rules and procedures established by the Securities Depository. So long as the book entry system is in effect, transfer of principal, interest and premium payments, and provisions of notices or other communications, to beneficial owners of the Bonds will be the responsibility of the Securities Depository as set forth in the Bond Indenture.

This Bond is one of a duly authorized series of bonds of the Issuer dated the Delivery Date, known as “New Hope Cultural Education Facilities Finance Corporation Retirement Facility Revenue Bonds (Buckingham Senior Living Community, Inc. Project) Series 2021B” (the “Series 2021B Bonds”) and issued in an aggregate principal amount of \$140,340,000 for the purpose of providing funds to be loaned to Buckingham Senior Living Community, Inc., a Texas nonprofit corporation (the “Obligor”), to be used to refinance the Existing Bonds.

To provide for its loan repayment obligations, the Obligor has issued its Series 2021B Note (the “Series 2021B Note”) under a Loan Agreement dated as of November 1, 2021, between the Issuer and the Obligor (the “Agreement”). The Series 2021B Note is issued pursuant to an Amended and Restated Master Trust Indenture, Deed of Trust and Security Agreement dated as of November 1, 2021, as supplemented (the “Master Indenture”), between the Obligor and UMB Bank, N.A., as master trustee (the “Master Trustee”) and constitutes a Subordinate Obligation thereunder. Pursuant to the Master Indenture, the Obligated Group has pledged and granted a security interest in the Gross Revenues (as defined in the Master Indenture) and certain real and personal property to the Master Trustee to secure the Series 2021B Note, subordinate to the Series 2021A Notes. The Issuer, on behalf of the Obligor, has also issued its Retirement Facility Revenue Bonds (Buckingham Senior Living Community, Inc. Project) Series 2021A-1 (the “Series 2021A-1 Bonds”) and its Retirement Facility Revenue Bonds (Buckingham Senior Living Community, Inc. Project) Series 2021A-2 (Federally Taxable) (the “Series 2021A-2 Bonds” and, together with the Series 2021A-1 Bonds, the “Series 2021A Bonds”) under the Bond Indenture which are senior to the Series 2021B Bonds and will also be secured by a note issued under the Master Indenture senior to the Series 2021B Note. Additional obligations on a parity with the Series 2021A Note may be issued pursuant to the Master Indenture subject to the conditions and terms contained therein, and the payments on such additional obligations will also be secured by a pledge of the Gross Revenues and certain real and personal property senior to the Series 2021B Note. Additional obligations on a parity with the Series 2021B Note may be issued pursuant to the Master Indenture subject to the conditions and terms contained therein, and the payments on such additional obligations will also be secured by a pledge of the Gross Revenues and certain real and personal property on parity with the Series 2021B Note.

This Bond and the claims for interest hereon are payable only out of the revenues derived by the Issuer pursuant to the Agreement. The Series 2021B Bonds are issued under and are entitled to the protection given by the Bond Indenture and are equally and ratably secured under the Bond Indenture subordinate to the Series 2021A Bonds.

No recourse under or upon any obligation, covenant, or agreement contained in the Bond Indenture, or in any Bond, or under any judgment obtained against the Issuer or by the enforcement of any assessment or by any legal or equitable proceeding by virtue of any constitution or statute or otherwise or under any circumstances, under or independent of the Bond Indenture, shall be had against any director, incorporator, officer, agent, employee, or representative as such, past, present or future, of

the Issuer, either directly or through the Issuer or otherwise, for the payment for or to the Issuer or for or to the registered owner of any Bond issued thereunder or otherwise, of any sum that may be due and unpaid by the Issuer upon any such Bond.

Neither the directors, incorporators, officers, agents, employees or representatives of the Issuer past, present or future, nor any person executing this Bond or the Bond Indenture, shall be personally liable hereon or thereon or be subject to any personal liability by reason of the issuance hereof and thereof, whether by virtue of any constitution, statute or rule of law or by the enforcement of any assessment or penalty, or otherwise, all such liability being expressly released and waived as a condition of and in consideration for the execution of the Bond Indenture and the issuance of this Bond.

Additional series of Bonds may be issued by the Issuer in accordance with the limitations and conditions of the Bond Indenture, which Bonds may be in all respects on a senior basis to or on parity with the Series 2021B Bonds. Such additional Bonds may be issued at different times, in various principal amounts and denominations, may mature at different times, may bear interest at different rates, may be redeemable at different prices and may otherwise vary as provided in the Bond Indenture. The Series 2021B Bonds and any additional Bonds issued on parity with the Series 2021B Bonds are herein collectively called the “Subordinate Bonds” and together with the Series 2021A Bonds and any Senior Bonds issued on parity with the Series 2021A Bonds, the “Bonds”.) Reference is hereby made to the Bond Indenture and all indentures supplemental thereto and the Master Indenture for a description of the revenues pledged, the nature and extent of the security, the rights, duties, and obligations of the Issuer, the Bond Trustee and the owners of the Bonds, and the terms and conditions upon which the Bonds are, and are to be, secured.

After the Series 2021A Bonds are paid in full, the Series 2021B Bonds are subject to redemption prior to maturity on each Excess Cash Redemption Date from Excess Cash, to the extent of Excess Cash in the Excess Cash Account of the Bond Fund as set forth in the Bond Indenture at a redemption price equal to the principal amount of such Series 2021B Bonds to be redeemed, together with accrued and unpaid interest to the Excess Cash Redemption Date.

The Series 2021B Bonds are subject to optional redemption prior to maturity by the Issuer at the written direction of the Obligor at any time on or after November 15, 2031 (the “Par Call Date”), as set forth in the Bond Indenture at a redemption price equal to the principal amount of such Series 2021B Bonds to be redeemed, together with accrued and unpaid interest to the redemption date. The Series 2021B Bonds are also subject to optional redemption prior to the Par Call Date by the Issuer at the written direction of the Obligor at any time on or after November 15, 2026, as set forth in the Bond Indenture at a redemption price set forth below as a percentage of the principal amount of the Bonds to be redeemed, together with accrued and unpaid interest to the redemption date.

<u>Redemption Date</u>	<u>Redemption Price</u>
November 15, 2026 – November 14, 2027	105%
November 15, 2027 - November 14, 2028	104
November 15, 2028 - November 14, 2029	103
November 15, 2029 - November 14, 2030	102
November 15, 2030 - November 14, 2031	101

The Series 2021B Bonds are subject to mandatory sinking fund redemption at a redemption price equal to the principal amount thereof plus accrued and unpaid interest to the redemption date. As and for a sinking fund for the redemption of such Series 2021B Bonds, the Issuer shall cause to be deposited into the Principal Account of the Bond Fund a sum which is sufficient to redeem on November 15 of each of

the following years (after credit as provided below) the following principal amounts of such Series 2021B Bonds, plus accrued and unpaid interest to the redemption date:

<u>Year</u>	<u>Amount</u>	<u>Year</u>	<u>Amount</u>
2038	\$2,870,000	2050	\$5,534,000
2039	3,031,000	2051	5,846,000
2040	3,202,000	2052	6,175,000
2041	3,382,000	2053	6,522,000
2042	3,572,000	2054	6,889,000
2043	3,773,000	2055	7,276,000
2044	3,985,000	2056	7,685,000
2045	4,210,000	2057	8,118,000
2046	4,446,000	2058	8,574,000
2047	4,696,000	2059	9,057,000
2048	4,961,000	2060	9,566,000
2049	5,240,000	2061*	Remaining
			Principal Amount

*maturity

At the option of the Obligor to be exercised by delivery of a written certificate to the Bond Trustee on or before the forty-fifth day next preceding any sinking fund redemption date, it may (i) deliver to the Bond Trustee for cancellation Series 2021B Bonds or portions thereof of the same maturity and interest rate, in an aggregate principal amount desired by the Obligor or (ii) specify a principal amount of Series 2021B Bonds or portions thereof of the same maturity and interest rate, which prior to said date have been redeemed (otherwise than through the operation of the sinking fund) and canceled by the Bond Trustee at the request of the Obligor and not theretofore applied as a credit against any sinking fund redemption obligation.

The Series 2012B Bonds shall also be subject to optional redemption by the Issuer at the direction of the Obligor prior to their scheduled maturities, in whole or in part at a redemption price equal to the principal amount thereof plus accrued and unpaid interest from the most recent interest payment date to the redemption date on any date following the occurrence of any of the following events:

(1) in case of damage or destruction to, or condemnation of, any property, plant, and equipment of any Obligated Group Member, to the extent that the net proceeds of insurance or condemnation award exceed the Threshold Amount (as defined in the Master Indenture), and the Obligor has determined not to use such net proceeds or award to repair, rebuild or replace such property, plant, and equipment; or

(2) as a result of any changes in the Constitution or laws of the State of Texas or of the United States of America or of any legislative, executive, or administrative action (whether state or federal) or of any final decree, judgment, or order of any court or administrative body (whether state or federal), the obligations of the Obligor under the Agreement have become, as established by an Opinion of Counsel, void or unenforceable in each case in any material respect in accordance with the intent and purpose of the parties as expressed in the Agreement.

If less than all Series 2021B Bonds are to be redeemed, the selection shall be made by the Securities Depository or by lot by the Bond Trustee. Notice of the call for any redemption shall be given by the Bond Trustee by sending a copy of the redemption notice by mail not more than 60 nor less than 30 days prior to the redemption date to the registered owner of each Bond to be redeemed as shown on the

registration records kept by the Bond Trustee, as provided in the Bond Indenture. All Bonds or portions thereof called for redemption will cease to bear interest after the specified redemption date, provided funds for their payment are on deposit at the place of payment at that time. Redemption of Series 2021B Bonds may be conditioned upon the deposit of moneys with the Bond Trustee in an amount sufficient to pay the redemption price of such Series 2021B Bonds.

In lieu of redeeming the Series 2021B Bonds, the Bond Trustee shall, at the direction of the Obligor, use such funds otherwise available under the Bond Indenture for redemption of Series 2021B Bonds to purchase Series 2021B Bonds as described in the Bond Indenture.

The Series 2021B Bonds are issuable as fully registered Bonds in denominations of \$5,000 and any integral multiple thereof and are exchangeable for an equal aggregate principal amount of fully registered Series 2021B Bonds of the same maturity and interest rate of other authorized denominations at the aforesaid office of the Bond Trustee but only in the manner and subject to the limitations and on payment of the charges provided in the Bond Indenture.

This Bond is fully transferable by the registered owner hereof in person or by his or her duly authorized attorney on the registration books kept at the designated corporate trust office of the Bond Trustee upon surrender of this Bond together with a duly executed written instrument of transfer satisfactory to the Bond Trustee. Upon such transfer a new fully registered Series 2021B Bond of authorized denomination or denominations for the same aggregate principal amount, maturity and interest rate will be issued to the transferee in exchange herefor, all upon payment of the charges and subject to the terms and conditions set forth in the Bond Indenture.

The Bond Trustee will not be required to transfer or exchange any Series 2021B Bond after the mailing of notice calling such Series 2021B Bond or any portion thereof for redemption has been given as herein provided, nor during the period beginning at the opening of business 15 days before the day of mailing by the Bond Trustee of a notice of redemption and ending at the close of business on the day of such mailing.

The Issuer and the Bond Trustee may deem and treat the Person in whose name this Bond is registered as the absolute owner hereof for the purpose of making payment (except to the extent otherwise provided hereinabove and in the Bond Indenture with respect to Regular and Special Record Dates for the payment of interest) and for all other purposes, and neither the Issuer nor the Bond Trustee shall be affected by any notice to the contrary. The principal of, premium, if any, and interest on this Bond shall be paid free from and without regard to any equities between the Obligor and the original or any intermediate owner hereof, or any setoffs or counterclaims.

The owner of this Bond shall have no right to enforce the provisions of the Bond Indenture or to institute action to enforce the covenants therein, or to take any action with respect to any event of default under the Bond Indenture, or to institute, appear in or defend any suit or other proceedings with respect thereto, except as provided in the Bond Indenture. In case an event of default under the Bond Indenture shall occur, the principal of all of the Bonds at any such time Outstanding under the Bond Indenture may be declared or may become due and payable, upon the conditions and in the manner and with the effect provided in the Bond Indenture. The Bond Indenture provides that such declaration may in certain events be waived by the Bond Trustee or the owners of a requisite principal amount of the Bonds Outstanding under the Bond Indenture.

To the extent permitted by, and as provided in, the Bond Indenture, modifications or amendments of the Bond Indenture, or of any indenture supplemental thereto, and of the rights and obligations of the Issuer and of the owners of the Bonds may be made with the consent of the Issuer and the Bond Trustee

and, in certain instances, of not less than a majority in aggregate principal amount of the Bonds then Outstanding; provided, however, that no such modification or amendment shall be made which will affect the terms of payment of the principal of, premium, if any, or interest on any of the Bonds, which are unconditional. Any such consent by the owner of this Bond shall be conclusive and binding upon such owner and upon all future owners of this Bond and of any Bond issued upon the transfer or exchange of this Bond whether or not notation of such consent is made upon this Bond.

IT IS HEREBY CERTIFIED, RECITED AND DECLARED that all acts, conditions and things required to exist, happen and be performed precedent to and in the execution and delivery of the Bond Indenture and issuance of this Bond do exist, have happened and have been performed in due time, form and manner as required by law.

THIS BOND shall not be entitled to any benefit under the Bond Indenture, or any indenture supplemental thereto, or become valid or obligatory for any purpose until (i) the Bond Trustee shall have manually signed the certificate of authentication hereon or (ii) a manually signed Comptroller's Registration Certificate is attached hereto.

IN WITNESS WHEREOF, New Hope Cultural Education Facilities Finance Corporation has caused this Bond to be executed with the manual or facsimile signatures of its President and Assistant Secretary, and a facsimile of its corporate seal to be hereto affixed or printed, all as of the date set forth above.

NEW HOPE CULTURAL EDUCATION FACILITIES
FINANCE CORPORATION

By: _____
President

(SEAL)

Attest:

Assistant Secretary

(FORM OF TRUSTEE'S CERTIFICATE OF AUTHENTICATION)

This is one of the Series 2021B Bonds referred to in the within mentioned Bond Indenture.

Date of Authentication: UMB BANK, N.A., as Bond Trustee

By: _____
Authorized Signatory

(END OF FORM OF TRUSTEE'S CERTIFICATE OF AUTHENTICATION)
(FORM OF COMPTROLLER'S REGISTRATION CERTIFICATE)
(To be attached to initial Bonds only)

COMPTROLLER'S REGISTRATION CERTIFICATE: REGISTER NO.

I hereby certify that this Bond has been examined, certified as to validity, and approved by the Attorney General of the State of Texas, and that this Bond has been registered by the Comptroller of Public Accounts of the State of Texas.

Witness my signature and seal this _____.

Comptroller of Public Accounts
of the State of Texas

[SEAL]

(END OF FORM OF COMPTROLLER'S REGISTRATION CERTIFICATE)

[FORM OF ASSIGNMENT]

ASSIGNMENT

For value received, the undersigned hereby sells, assigns and transfers unto _____ the within Bond, and does hereby irrevocably constitute and appoint _____ attorney to transfer such Bond on the books kept for registration and transfer of the within Bond, with full power of substitution in the premises.

Date: _____

NOTICE: The signature to this Assignment must correspond with the name as it appears upon the face of the within Bond in every particular, without enlargement or alteration or any change whatsoever.

Signature Guaranteed By:

Authorized Signatory

NOTE: The signature to this Assignment must be guaranteed by a financial institution that is a member of the Securities Transfer Agents Medallion Program ("STAMP"), the Stock Exchange Medallion Program ("SEMP") or the New York Stock Exchange, Inc. Medallion Signature Program ("MSP").

* * * [END OF SERIES 2021B BOND FORM] * * *

WHEREAS, the Series 2021A Bonds and the Series 2021B Bonds are sometimes hereinafter collectively referred to as the "Series 2021 Bonds" and (b) the Series 2021 Bonds and any other bonds issued hereunder are sometimes hereinafter collectively referred to as the "Bonds"; and

WHEREAS, all things necessary to make the Series 2021 Bonds, when authenticated by the Bond Trustee and issued as in this Bond Indenture provided, the valid, binding, and legal obligations of the Issuer and to constitute this Bond Indenture a valid, binding, and legal instrument for the security of the Bonds in accordance with its terms, have been done and performed

NOW, THEREFORE, THIS INDENTURE OF TRUST WITNESSETH:

That the Issuer, in consideration of the premises and of the mutual covenants herein contained and of the purchase, exchange and acceptance of the Series 2021 Bonds by the owners thereof and of the sum of One Dollar to it duly paid by the Bond Trustee at or before the execution and delivery of these presents, and for other good and valuable consideration, the receipt of which is hereby acknowledged, in order to secure the payment of the principal of, premium, if any, and interest on first, all Senior Bonds and then second, all Subordinate Bonds at any time Outstanding under this Bond Indenture, according to their tenor and effect, and to secure the performance and observance of all the covenants and conditions in the Bonds and herein contained, and to declare the terms and conditions upon and subject to which the Bonds are issued and secured, has executed and delivered this Bond Indenture and has granted, bargained, sold, warranted, alienated, remised, released, conveyed, assigned, pledged, set over, and confirmed, and by these presents does grant, bargain, sell, warrant, alien, remise, release, convey, assign, pledge, set over, and confirm unto the Bond Trustee and to its successors and assigns forever, all and singular the following described property, franchises, and income, first, for the benefit of the owners of the Senior Bonds Outstanding hereunder, and second, for the benefit of the owners of the Subordinate Bonds Outstanding hereunder:

A. All of the Issuer's right, title and interest in and to the Notes delivered by the Obligor to the Issuer pursuant to the Agreement; and

B. All of the Issuer's right, title and interest in and to the Agreement (except for the rights of the Issuer to receive payments, if any, under Sections 5.7, 7.5, 7.9, and 9.5 of the Agreement), together with all powers, privileges, options and other benefits of the Issuer contained in the Agreement; provided, however, that nothing in this clause shall impair, diminish or otherwise affect the Issuer's obligations under the Agreement or, except as otherwise provided in this Bond Indenture, impose any such obligations on the Bond Trustee; and

C. Amounts on deposit from time to time in the Funds and Accounts held hereunder, but excluding the Rebate Fund (all as defined in the Agreement), subject to the provisions of this Bond Indenture permitting the application thereof for the purposes and on the terms and conditions set forth herein; and

D. Any and all property of every kind or description which may from time to time hereafter be sold, transferred, conveyed, assigned, hypothecated, endorsed, deposited, pledged, mortgaged, granted or delivered to, or deposited with the Bond Trustee as additional security by the Issuer or anyone on its part or with its written consent, or which pursuant to any of the provisions hereof or of the Agreement or any Note may come into the possession of or control of the Bond Trustee or a receiver appointed pursuant to Article VIII hereof, as such additional security; and the Bond Trustee is hereby authorized to receive any and all such property as and for additional security for the payment of the Bonds, and to hold and apply all such property subject to the terms hereof.

TO HAVE AND TO HOLD the same with all privileges and appurtenances hereby conveyed and assigned, or agreed or intended to be, to the Bond Trustee and its successors in said trust and assigns forever;

IN TRUST, NEVERTHELESS, upon the terms herein set forth for first, the equal and proportionate benefit, security, and protection of all owners of the Senior Bonds issued under and secured by this Bond Indenture without privilege, priority, or distinction as to the lien or otherwise of any of the Bonds over any other of the Senior Bonds and second, the equal and proportionate benefit, security, and protection of all owners of the Subordinate Bonds issued under and secured by this Bond Indenture without privilege, priority, or distinction as to the lien or otherwise of any of the Subordinate Bonds over any other of the Subordinate Bonds;

PROVIDED, HOWEVER, that if the Issuer, its successors or assigns, shall pay, or cause to be paid, the principal of the Bonds and the premium, if any, and the interest due or to become due thereon, at the times and in the manner mentioned in the Bonds according to the true intent and meaning thereof, and shall cause the payments to be made into the Bond Fund as hereinafter required or shall provide, as permitted hereby, for the payment thereof by depositing with the Bond Trustee the entire amount due or to become due hereon, or certain securities as herein permitted and shall keep, perform, and observe all the covenants and conditions pursuant to the terms of this Bond Indenture to be kept, performed, and observed by it, and shall pay or cause to be paid to the Bond Trustee all sums of money due or to become due to it in accordance with the terms and provisions hereof, then upon such final payments this Bond Indenture and the rights hereby granted shall cease, determine, and be void; otherwise this Bond Indenture to be and remain in full force and effect.

THIS BOND INDENTURE FURTHER WITNESSETH and it is expressly declared that all Bonds issued and secured hereunder are to be issued, authenticated, and delivered and all said rights hereby pledged and assigned are to be dealt with and disposed of under, upon, and subject to the terms, conditions, stipulations, covenants, agreements, trusts, uses, and purposes as hereinafter expressed, and the Issuer has agreed and covenanted, and does hereby agree and covenant, with the Bond Trustee and with the respective owners from time to time of the Bonds as follows:

[END OF PREAMBLE]

ARTICLE I

DEFINITIONS

Section 1.01. Definitions. All defined words and phrases used in this Bond Indenture (but not otherwise defined herein) shall have the meaning given and ascribed to such words and phrases in Article I of the Agreement.

Section 1.02. Recital Incorporation. The recitals set forth in the beginning of this Indenture are hereby incorporated herein.

ARTICLE II

AUTHORIZATION, TERMS, EXECUTION AND ISSUANCE OF BONDS

Section 2.01. Authorized Amount of Series 2021 Bonds. No Series 2021 Bonds may be issued under this Bond Indenture except in accordance with this Article. The total principal amount of Series 2021A Bonds that may be issued hereunder is hereby expressly limited to \$28,500,000 and the total original principal amount of Series 2021B Bonds that may be issued hereunder is expressly limited to \$140,340,000, except as provided in Sections 2.06, 2.09 and 2.10 hereof.

Section 2.02. All Bonds Equally and Ratably Secured; Bonds Not an Obligation of Issuer. All Senior Bonds issued under this Bond Indenture and at any time Outstanding shall in all respects be equally and ratably secured hereby, without preference, priority, or distinction on account of the date or dates or the actual time or times of the issuance or maturity of the Senior Bonds, so that all Senior Bonds at any time issued and Outstanding hereunder shall have the same right, lien, and preference under and by virtue of this Bond Indenture, and shall all be equally and ratably secured hereby. All Subordinate Bonds issued under this Bond Indenture and at any time Outstanding shall in all respects be equally and ratably secured hereby subordinate to the Senior Bonds, without preference, priority, or distinction on account of the date or dates or the actual time or times of the issuance or maturity of the Subordinate Bonds, so that all Subordinate Bonds at any time issued and Outstanding hereunder shall have the same right, lien, and preference under and by virtue of this Bond Indenture, and shall all be equally and ratably secured hereby, subordinate to the Senior Bonds. The Bonds shall be payable solely out of the revenues and other security pledged hereby and shall not constitute an indebtedness of the Issuer within the meaning of any state constitutional provision or statutory limitation and shall never constitute nor give rise to a pecuniary liability of the Issuer.

Section 2.03. Authorization of Series 2021 Bonds. (a) There is hereby authorized to be issued hereunder and secured hereby a series of bonds designated as the “New Hope Cultural Education Facilities Finance Corporation Retirement Facility Revenue Bonds (Buckingham Senior Living Community, Inc. Project) Series 2021A”. The Series 2021A Bonds shall be issued in two subseries designated “Series 2021A-1” in the principal amount of \$3,920,000 and “Series 2021A-2 (Federally Taxable)” in the principal amount of \$24,580,000. The Series 2021A-1 Bonds shall be numbered consecutively upward from A-1R-1 and the Series 2021A-2 Bonds shall be numbered consecutively upward from A-2R-1.

(b) The Series 2021A Bonds shall bear interest from the most recent interest payment date to which interest has been paid or provided for, or, if no interest has been paid, from the Delivery Date of the Series 2021A Bonds. The Series 2021A Bonds shall bear interest on the basis of a 360 day year composed of twelve 30 day months payable each May 15 and each November 15, commencing May 15, 2022 (each an “Interest Payment Date”), at 7.50% per annum and shall mature on November 15, 2037.

(c) There is hereby authorized to be issued hereunder and secured hereby a series of bonds designated as the “New Hope Cultural Education Facilities Finance Corporation Retirement Facility Revenue Bonds (Buckingham Senior Living Community, Inc. Project) Series 2021B.” The Series 2021B Bonds shall be numbered consecutively upward from BR-1.

(d) The Series 2021B Bonds shall bear interest from the most recent interest payment date to which interest has been paid or provided for, or, if no interest has been paid, from the Delivery Date of the Series 2021B Bonds. The Series 2021B Bonds shall bear interest on the basis of a 360 day year composed of twelve 30 day months payable each Interest Payment Date, at the interest rate specified below, until payment of the principal hereof has been made or provided for; provided however that from

the Delivery Date until the Trigger Date (as defined herein), the amount of such unpaid interest shall accrete and be added to the principal amount of the Series 2021B Bonds on the applicable Interest Payment Date and thereafter shall bear interest at the interest rate due on the Series 2021B Bonds. The Series 2021B Bonds shall mature on November 15, 2061 and shall bear interest as follows: (i) from the Delivery Date to but not including the Trigger Date, [2.00%] per annum, (ii) from the Trigger Date to but not including the Par Call Date, 5.00% per annum, and (iii) from and after the Par Call Date, 5.625%. The “Trigger Date” means the earlier of (i) November 15, 2026 or (ii) the date the Pre-Effective Date Refund Queue is paid in full.

(e) On the Delivery Date, the Series 2021B Bonds are being exchanged for the outstanding Existing Bonds. Owners tendering Existing Bonds shall receive Series 2021B Bonds in a principal amount equal to 100% of the principal amount of the Existing Bonds Outstanding held by such Owner. All Existing Bonds exchanged on the date of issuance of the Bonds will no longer be Outstanding under the Original Bond Indenture. Owners of Existing Bonds who tender such Existing Bonds for exchange in accordance with this Bond Indenture as provided for in the Bankruptcy Plan will be deemed to have (i) waived any and all rights with respect to the Existing Bonds so tendered (including without limitation, any existing or past defaults by the Issuer, the Tarrant County Cultural Education Facilities Finance Corporation (the “Prior Issuer”), the Obligor, the Bond Trustee or any party acting on the Prior Issuer’s behalf or at its instruction and their consequences in respect of such Existing Bonds), and (ii) released and discharged the Issuer, the Prior Issuer, the Obligor, the Bond Trustee and their respective affiliates, current and former officers, directors, managers, members, employees, attorneys and advisors, each in their respective capacities as such, any party acting on the Obligor’s behalf or at the Obligor’s instruction from any and all claims such Owner may have, now or in the future, arising out of or related to the Existing Bonds so tendered, including, without limitation, any and all claims that such Owner may be entitled to receive additional principal or interest payments with respect to the Existing Bonds so tendered, including any accrued and unpaid interest (other than as provided in this Indenture) or to participate in any redemption of the Existing Bonds so tendered.

(f) The Series 2021 Bonds shall be issued in Authorized Denominations. The Series 2021 Bonds delivered hereunder shall be dated the Delivery Date. The Series 2021 Bonds are subject to prior redemption as herein set forth and shall be substantially in the form and tenor hereinabove recited with appropriate variations, omissions, and insertions as are permitted or required by this Bond Indenture.

(g) The principal of and premium, if any, on the Series 2021 Bonds shall be payable in lawful money of the United States of America at the Payment Office of the Bond Trustee, or at the designated corporate trust office of its successor, upon presentation and surrender of the Series 2021 Bonds. Payment of interest on any Series 2021 Bond shall be made to the Person who is the registered owner thereof at the close of business on the Regular Record Date for such Interest Payment Date by check mailed by the Bond Trustee on such Interest Payment Date to such registered owner at its, his or her address as it appears on the registration records kept by the Bond Trustee or by wire transfer of same day funds upon receipt by the Bond Trustee at least 10 days prior to the Regular Record Date of a written request by a registered owner of \$1,000,000 or more in aggregate principal amount of Bonds. The CUSIP number and appropriate dollar amounts for each CUSIP number shall accompany all payments of principal, premium, if any, and interest on the Series 2021 Bonds. Any such interest not so timely paid or duly provided for shall cease to be payable to the Person who is the registered owner of such Series 2021 Bond at the close of business on the Regular Record Date and shall be payable to the Person who is the registered owner thereof at the close of business on a Special Record Date for the payment of any such defaulted interest. Such Special Record Date shall be fixed by the Bond Trustee whenever moneys become available for payment of the defaulted interest, and notice of the Special Record Date shall be given to the registered owners of the Series 2021 Bonds not less than ten days prior thereto by first class postage prepaid mail to each such registered owner as shown on the registration records, stating the date

of the Special Record Date and the date fixed for the payment of such defaulted interest. Alternative means of payment of interest may be used if mutually agreed upon between the owners of any Series 2021 Bonds and the Bond Trustee. All such payments shall be made in lawful money of the United States of America.

Notwithstanding the foregoing, payments of the principal of and premium, if any, and interest on any Bonds that are subject to the book entry system as provided in Article II of this Bond Indenture shall be made in accordance with the rules, regulations and procedures established by the securities depository in connection with the book entry system.

Section 2.04. Execution of Bonds, Signatures. The Bonds shall be executed on behalf of the Issuer by its President and its corporate seal shall be thereunto affixed and attested by the Secretary or Assistant Secretary. The signatures of such officers and the seal of the Issuer may be in facsimile. In case any officer who shall have signed any of the Bonds shall cease to hold such office and any of such Bonds shall have been authenticated by the Bond Trustee or delivered or sold, such Bonds with the signatures thereto affixed may, nevertheless, be authenticated by the Bond Trustee, and delivered, and may be sold by the Issuer, as though the Person or Persons who signed such Bonds had remained in office.

Section 2.05. Registration and Exchange of Bonds; Persons Treated as Owners. The Issuer shall cause books for the registration and for the transfer of the Bonds as provided in this Bond Indenture to be kept by the Bond Trustee which is hereby appointed the bond registrar of the Issuer for the Series 2021 Bonds. Upon surrender for transfer of any fully registered Bond at the Payment Office of the Bond Trustee, duly endorsed for transfer or accomplished by an assignment duly executed by the registered owner or his attorney duly authorized in writing, the Issuer shall execute and the Bond Trustee shall authenticate and deliver in the name of the transferee or transferees a new fully registered Bond or Bonds of a like aggregate principal amount, maturity and interest rate for a like principal amount and maturity.

The Issuer shall execute and the Bond Trustee shall authenticate and deliver Bonds which the Bondholder making the exchange is entitled to receive, bearing numbers not contemporaneously Outstanding. The execution by the Issuer of any fully registered Bond of any denomination shall constitute full and due authorization of such denomination and the Bond Trustee shall thereby be authorized to authenticate and deliver such Bond.

The Bond Trustee shall not be required to transfer or exchange any Bond after the mailing of notice calling such Bond or any portion thereof for redemption has been given as herein provided, nor during the period beginning at the opening of business fifteen days before the day of mailing by the Bond Trustee of a notice of prior redemption and ending at the close of business on the day of such mailing.

As to any Bond, the Person in whose name the same shall be registered shall be deemed and regarded as the absolute owner thereof for all purposes, and payment of principal of or interest on any Bond shall be made only to or upon the written order of the registered owner thereof or his legal representative, but such registration may be changed as hereinabove provided. All such payments shall be valid and effectual to satisfy and discharge the liability upon such Bond to the extent of the sum or sums paid.

The Bond Trustee shall require the payment by any Bondholder requesting exchange or transfer of any tax or other governmental charge required to be paid with respect to such exchange or transfer.

Section 2.06. Lost, Stolen, Destroyed, and Mutilated Bonds. Upon receipt by the Bond Trustee of evidence satisfactory to it of the ownership of and the loss, theft, destruction, or mutilation of

any Bond and, in the case of a lost, stolen, or destroyed Bond, of indemnity satisfactory to it, and upon surrender and cancellation of the Bond if mutilated, (i) the Issuer shall execute, and the Bond Trustee shall authenticate and deliver, a new Bond of the same series, date, interest rate and maturity as the lost, stolen, destroyed or mutilated Bond in lieu of such lost, stolen, destroyed, or mutilated Bond or (ii) if such lost, stolen, destroyed, or mutilated Bond shall have matured or have been called for redemption, in lieu of executing and delivering a new Bond as aforesaid, the Issuer may pay such Bond. Any such new Bond shall bear a number not contemporaneously Outstanding. The applicant for any such new Bond may be required to pay all expenses and charges of the Issuer and of the Bond Trustee in connection with the issue of such new Bond. All Bonds shall be held and owned upon the express condition that, to the extent permitted by law, the foregoing conditions are exclusive with respect to the replacement and payment of mutilated, destroyed, lost, or stolen Bonds, negotiable instruments, or other securities. If, after the delivery of such new Bond, a bona fide purchaser of the original Bond in lieu of which such duplicate Bond was issued presents for payment such original Bond, the Obligor or the Bond Trustee shall be entitled to recover upon such new Bond from the Person to whom it was delivered or any person taking therefrom, except a bona fide purchaser, and shall be entitled to recover upon the security or indemnity provided therefor to the extent of any loss, damage, cost or expense incurred by the Obligor or the Bond Trustee in connection therewith.

Section 2.07. Delivery of Series 2021 Bonds. Upon the execution and delivery of this Bond Indenture, the Issuer shall execute and deliver to the Bond Trustee and the Bond Trustee shall authenticate the Series 2021 Bonds and deliver the Series 2021A to the initial purchasers thereof as directed by the Issuer and as hereinafter in this Section provided and exchange the Series 2021B Bonds with the existing beneficial owners thereof pursuant to Section 2.03(f) hereof.

Prior to the delivery by the Bond Trustee of any of the Series 2021 Bonds there shall be filed with and delivered to the Bond Trustee at least:

- (a) Certified Resolutions of the Issuer authorizing the execution and delivery of the Agreement and this Bond Indenture and the issuance of the Series 2021 Bonds.
- (b) Original executed counterparts of the Agreement, this Bond Indenture, the Supplemental Indenture and the Master Indenture.
- (c) The Series 2021 Notes, duly executed and authenticated and duly assigned and payable to the Bond Trustee.
- (d) A request and authorization to the Bond Trustee on behalf of the Issuer and signed by its President to (i) authenticate and deliver the Series 2021A Bonds to the purchasers therein identified upon payment to the Bond Trustee but for the account of the Issuer of a sum specified in such request and authorization, together with instructions as to the disposition of the proceeds of the Series 2021A Bonds and (ii) authenticate and deliver the Series 2021B Bonds to the owners of the Existing Bonds in exchange therefore as set forth in Section 2.03(e) hereof.
- (e) An Opinion of Bond Counsel to the effect that the Series 2021 Bonds have been duly and validly authorized, issued and delivered and constitute valid and binding obligations of the Issuer, that the interest payable on the Series 2021A-1 Bonds and Series 2021B Bonds is excludable from gross income for federal income tax purposes and that each of the instruments to which the Issuer is a party has been duly and validly authorized, executed and delivered by the Issuer and constitutes the valid and binding obligation of the Issuer, subject to customary qualifications on enforceability.

(f) The favorable opinion or opinions of the Attorney General of Texas with respect to the validity of the Series 2021 Bonds.

(g) A copy of the Bankruptcy Court Order confirming the Bankruptcy Plan and the Bond Exchange.

On the Delivery Date and upon delivery to the Bond Trustee of the agreements, certificates and opinions specified in this Section 2.07, in accordance with the Bankruptcy Court Order and the operational procedures of the Securities Depository, the Series 2021B Bonds will be issued in exchange for the outstanding Existing Bonds and all accrued and unpaid interest thereon shall be cancelled, the Original Bond Indentures shall be discharged and cancelled, and the notes securing the Existing Bonds shall be discharged and cancelled; provided that nothing in this Bond Indenture shall extinguish any indemnity provided by the Obligor to the bond trustee for the Existing Bonds.

Section 2.08. Bond Trustee's Authentication Certificate. The Bond Trustee's authentication certificate upon the Bonds shall be substantially in the form and tenor hereinbefore provided. No Bond shall be secured hereby or entitled to the benefit hereof, or shall be valid or obligatory for any purpose, unless (i) the certificate of authentication, substantially in such form, has been duly executed by the Bond Trustee or (ii) a manually signed Comptroller's Registration Certificate has been attached thereto; and such certificate of the Bond Trustee upon any Bond shall be conclusive evidence and the only competent evidence that such Bond has been authenticated and delivered hereunder. The Bond Trustee's certificate of authentication shall be deemed to have been duly executed by it if manually signed by an authorized signatory of the Bond Trustee, but it shall not be necessary that the same Person sign the certificate of authentication on all of the Bonds issued hereunder.

Section 2.09. Issuance of Additional Bonds. Additional Bonds are hereby authorized to be issued hereunder for the purposes set forth in 3.01(c) hereof. If the Obligor requests the issuance of any Additional Bonds, it shall file with the Issuer and the Bond Trustee a certificate specifying the amount of Additional Bonds to be issued and the purpose for such issuance.

Thereupon, the Issuer may request the authentication and delivery of such Additional Bonds; provided that the Obligor and the Issuer shall have entered into an amendment to the Agreement to provide, among other things, for delivery of Notes entitled to the benefit and security of the Master Indenture in an amount at least sufficient to pay principal of, premium, if any, and interest on the Additional Bonds when due, for a deposit into the Reserve Fund of additional Reserve Fund Obligations which, together with amounts then contained in the Reserve Fund will equal the Reserve Fund Requirement on all Bonds Outstanding at the date of issuance of such series of Additional Bonds and for such additional covenants and conditions as the Issuer and the Obligor deem desirable. All Additional Bonds shall be secured in the same manner as and rank on a parity with the Subordinate Bonds, but shall bear such date or dates, bear such interest rate or rates, have such maturity dates, redemption dates, options and premiums, and be issued at such prices as shall be approved in writing by the Issuer and the Obligor. No Additional Bonds may be issued as Senior Bonds or in any respect senior to the Subordinate Bonds. Upon the execution and delivery of appropriate supplements to this Bond Indenture and the Master Indenture and amendments to the Agreement, the Issuer may execute and deliver to the Bond Trustee, and the Bond Trustee shall authenticate, such Additional Bonds and deliver them to the initial purchasers thereof as directed by the Issuer.

Section 2.10. Requirements for Authentication and Delivery of Additional Bonds. Whenever requesting the authentication and delivery under this Article II of any Additional Bonds the Issuer shall furnish the Bond Trustee the following:

(a) Obligor's Certificate. An Officer's Certificate of the Obligor stating (i) that no default exists under the Agreement, the Master Indenture or this Bond Indenture, (ii) that the Obligor has complied with the provisions of the Master Indenture with respect to the incurrence of debt with respect to the issuance of such Additional Bonds, (iii) that the Obligor approves the issuance and delivery of such Additional Bonds and (iv) any other matters to be approved by the Obligor pursuant to this Section 2.10.

(b) Certified Resolution. Certified Resolutions of the Issuer authorizing the issuance of the Additional Bonds and the execution and delivery of the amendment to the Agreement and a supplement to this Bond Indenture.

(c) Amendment to the Agreement. An original executed counterpart of the amendment to the Agreement.

(d) Supplemental Bond Indenture. An indenture supplemental hereto, designating the new series to be created and prescribing expressly or by reference with respect to the Bonds of such series:

- (1) the principal amount of the Bonds of such series,
- (2) the text of the Bonds of such series,
- (3) the maturity date or dates thereof,
- (4) the place or places where principal, premium, if any, and interest are to be paid and where the Bonds are to be registerable, transferable, or exchangeable,
- (5) the rate or rates of interest and the date from which, and the date or dates on which, interest is payable,
- (6) provisions as to redemption,
- (7) provisions (if any) as to exchangeability,
- (8) any other provisions necessary to describe and define such series within the provisions and limitations of this Bond Indenture, and
- (9) any other provisions and agreements in respect thereof provided, or not prohibited, by this Bond Indenture.

(e) Supplement to Master Indenture. Original executed counterparts of a supplement to the Master Indenture authorizing the execution and delivery of an additional Note or Notes.

(f) Additional Notes. A Note or Notes executed by the Obligor which shall:

- (1) require payment or payments of principal of, premium, if any, and interest in amounts and at times sufficient, together with any other funds available therefor, to permit the payments of principal of, premium, if any, and interest on the Additional Bonds, taking into account any mandatory sinking fund requirements (pursuant to this Bond Indenture) which are required in respect of the related bonds, and
- (2) require each payment on the Note or Notes to be made on or before the due date for the corresponding payment to be made on the Additional Bonds of the Issuer.

(g) Reserve Fund. For deposit into the Reserve Fund, Reserve Fund Obligations which, together with the amounts then on deposit in the Reserve Fund, will equal the Reserve Fund Requirement on Bonds to be Outstanding upon the issuance of the Additional Bonds.

(h) Governmental Approvals. An approval of the issuance of the Additional Bonds by the Attorney General of the State of Texas or any other governmental entity or officer with jurisdiction over the Additional Bonds.

(i) Opinion as to Instruments Furnished Bond Trustee, Etc. Opinion or Opinions of Counsel acceptable to the Bond Trustee that:

(1) all instruments furnished to the Bond Trustee conform to the requirements of this Bond Indenture and constitute sufficient authority hereunder for the Bond Trustee to authenticate and deliver the Additional Bonds then applied for,

(2) all laws and requirements with respect to the form and execution by the Issuer of the supplement to this Bond Indenture, the amendment to the Agreement, and the execution and delivery by the Issuer of the Additional Bonds then applied for have been complied with,

(3) the Issuer has corporate power to issue such Additional Bonds and has taken all necessary action for that purpose,

(4) the Additional Bonds are valid and binding obligations of the Issuer and are secured by the lien of this Bond Indenture, equally and ratably with all other Bonds theretofore issued and then Outstanding hereunder,

(5) the extent to which the interest on the Outstanding Bonds is excludable from the gross income of the recipients thereof under the Code will not be impaired by the issuance of the Additional Bonds then applied for, and

(6) the conditions of the Master Indenture to the issuance of the additional Note or Notes referred to in paragraph (f) of this Section have been satisfied and such additional Note or Notes and the related supplement to the Master Indenture are valid and binding obligations of the Obligor, enforceable against the Obligor in accordance with their terms and the additional Note or Notes is entitled to the benefits of the Master Indenture.

Section 2.11. Cancellation and Destruction of Bonds By the Bond Trustee. Whenever any Outstanding Bonds shall be delivered to the Bond Trustee for the cancellation thereof pursuant to this Bond Indenture, upon payment of the principal amount or interest represented thereby or for replacement pursuant to Section 2.06 hereof, such Bonds shall be promptly cancelled and treated in accordance with the Bond Trustee's standard retention policies.

Section 2.12. Book Entry Only System. The Series 2021 Bonds shall be initially issued in the form of a single fully registered Series 2021 Bond for each maturity and subseries of the Series 2021 Bonds registered in the name of Cede & Co., as nominee of DTC, and except as provided in Section 2.13 hereof, all of the outstanding Series 2021 Bonds shall be registered in the name of Cede & Co., as nominee of DTC.

With respect to Series 2021 Bonds registered in the name of Cede & Co., as nominee of DTC, the Issuer and the Bond Trustee shall have no responsibility or obligation to any participant in DTC (a "DTC

Participant”) or to any Person on behalf of whom such a DTC Participant holds an interest in the Series 2021 Bonds, except as provided in this Bond Indenture. Without limiting the immediately preceding sentence, the Issuer and the Bond Trustee shall have no responsibility or obligation with respect to (i) the accuracy of the records of DTC, Cede & Co. or any DTC Participant with respect to any ownership interest in the Series 2021 Bonds, (ii) the delivery to any DTC Participant or any other Person, other than a Bondholder, as shown on the registration books, of any notice with respect to the Series 2021 Bonds, including any notice of redemption, or (iii) the payment to any DTC Participant or any other Person, other than a Bondholder as shown in the registration books, of any amount with respect to principal of, premium, if any, or interest on, the Series 2021 Bonds. Notwithstanding any other provision of this Bond Indenture to the contrary, the Issuer and the Bond Trustee shall be entitled to treat and consider the Person in whose name each Series 2021 Bond is registered in the registration books as the absolute owner of such Series 2021 Bond for the purpose of payment of principal, premium, if any, and interest with respect to such Series 2021 Bond, for the purpose of giving notices of redemption and other matters with respect to such Series 2021 Bond, for the purpose of registering transfers with respect to such Series 2021 Bond, and for all other purposes whatsoever. The Bond Trustee shall pay all principal of, premium, if any, and interest on the Series 2021 Bonds only to or upon the order of the Registered Owners, as shown in the registration books as provided in this Bond Indenture, or their respective attorneys duly authorized in writing, and all such payments shall be valid and effective to fully satisfy and discharge the Issuer's obligations with respect to payment of principal of, premium, if any, and interest on, the Series 2021 Bonds to the extent of the sum or sums so paid. No Person other than a Registered Owner, as shown in the registration books, shall receive a Series 2021 Bond certificate evidencing the obligation of the Issuer to make payments of principal, premium, if any, and interest, pursuant to this Bond Indenture. Upon delivery by DTC to the Bond Trustee of written notice to the effect that DTC has determined to substitute a new nominee in place of Cede & Co., and subject to the provisions in this Bond Indenture with respect to payment of interest to the Registered Owner at the close of business on the Record Date, the word “Cede & Co.” in this Bond Indenture shall refer to such new nominee of DTC.

Section 2.13. Successor Securities Depository; Transfers Outside Book Entry Only System.

(a) In the event that the Obligor determines that DTC is incapable of discharging its responsibilities described herein and in the representation letter of the Issuer to DTC (the “DTC Letter”) and that it is in the best interest of the beneficial owners of the Series 2021 Bonds that they be able to obtain certificated Series 2021 Bonds, the Issuer, at the direction of the Obligor, shall (i) appoint a successor securities depository, qualified to act as such under Section 17(a) of the Securities Exchange Act of 1934, as amended, notify DTC and DTC Participants, identified by DTC, of the appointment of such successor securities depository and transfer one or more separate Series 2021 Bonds to such successor securities depository or (ii) notify DTC and DTC Participants, identified by DTC, of the availability through DTC of Series 2021 Bonds and transfer one or more separate Series 2021 Bonds to DTC Participants, identified by DTC, having Series 2021 Bonds credited to their DTC accounts. In such event, the Series 2021 Bonds shall no longer be restricted to being registered in the registration books in the name of Cede & Co., as nominee of DTC, but may be registered in the name of the successor securities depository, or its nominee, or in whatever name or names Bondholders transferring or exchanging Series 2021 Bonds shall designate, in accordance with the provisions of this Bond Indenture.

(b) Upon the written consent of 100% of the beneficial owners of the Series 2021 Bonds, the Bond Trustee, in accordance with the DTC Letter, shall withdraw the Series 2021 Bonds from DTC, and authenticate and deliver Series 2021 Bonds fully registered to the assignees of DTC or its nominee. If the request for such withdrawal is not the result of any Issuer action or inaction, such withdrawal, authentication and delivery shall be at the cost and expense (including costs of printing, preparing and delivering such Series 2021 Bonds) of the Persons requesting such withdrawal, authentication and delivery.

Section 2.14. Payments to Cede & Co. Notwithstanding any other provision of this Bond Indenture to the contrary, so long as any Series 2021 Bond is registered in the name of Cede & Co., as nominee of DTC, all payments with respect to principal of, premium, if any, and interest on, such Series 2021 Bond and all notices, transfers and deliveries with respect to such Series 2021 Bond shall be made and given, respectively, in the manner provided in the DTC Letter and the regulations and procedures of DTC.

Section 2.15. Temporary Bonds. Pending preparation of definitive Series 2021 Bonds, the Issuer may issue, in lieu of definitive Series 2021 Bonds, one or more temporary printed or typewritten Series 2021 Bonds in Authorized Denominations, of substantially the tenor recited above. At the request of the Issuer, the Trustee shall authenticate definitive Series 2021 Bonds in exchange for and upon surrender of an equal principal amount of temporary Series 2021 Bonds of the same series, maturity and interest rate. Until so exchanged, temporary Series 2021 Bonds shall have the same rights, remedies and security hereunder as definitive Series 2021 Bonds. Temporary Series 2021A Bonds shall be numbered consecutively upward from TA-1R-1 or TA-2R-1 and temporary Series 2021B Bonds shall be numbered consecutively upward from TBR-1.

ARTICLE III

REVENUES AND FUNDS

Section 3.01. Application of Proceeds of Series 2021 Bonds. (a) The Issuer will sell and cause to be delivered to the initial purchasers the Series 2021A-1 Bonds and will deliver the proceeds thereof to the Bond Trustee for disposal as follows:

(i) Deposit into the Series 2021A-1 Reserve Account of the Reserve Fund the amount specified in the request and authorization to the Bond Trustee described in Section 2.07(d).

(ii) Deposit into the Cost of Issuance Fund the amount specified in the request and authorization to the Bond Trustee described in Section 2.07(d).

(iii) Deposit into the Construction Fund the balance of the proceeds of the Series 2021A-1 Bonds.

(b) The Issuer will sell and cause to be delivered to the initial purchasers the Series 2021A-2 Bonds and will deliver the proceeds thereof to the Bond Trustee for disposal as follows:

(i) Deposit into the Series 2021A-2 Reserve Account of the Reserve Fund the amount specified in the request and authorization to the Bond Trustee described in Section 2.07(d).

(ii) Deposit into the Cost of Issuance Fund the amount specified in the request and authorization to the Bond Trustee described in Section 2.07(d).

(iii) Deposit into the Operating Reserve Fund the balance of the proceeds of the Series 2021A-2 Bonds.

(c) Upon exchange of the Series 2021B Bonds for the Existing Bonds, the Bond Trustee shall transfer the amount specified in the request and authorization to the Bond Trustee described in Section 2.07(d) from the reserve funds held under the Original Bond Indentures to the Series 2021B Reserve Account of the Reserve Fund.

(d) The Issuer agrees to authorize the issuance of Additional Bonds upon the terms and conditions provided herein and in Sections 2.09 and 2.10. Additional Bonds may be issued to provide funds (i) to pay the Cost of financing, refinancing, acquiring, providing, constructing, enlarging, remodeling, renovating, improving, furnishing or equipping and refinancing the acquiring, constructing, equipping or completing any Project, (ii) to the extent permitted by law, to refund any Bonds theretofore issued and then Outstanding under this Bond Indenture or (iii) for any combination of such purposes. In the event of the issuance of Additional Bonds for any such purposes, the amount of Additional Bonds issued may include the costs of the issuance and sale of the Additional Bonds, capitalized interest for such period allowed by law, reserve funds and such other costs reasonably related to the financing as shall be agreed upon by the Obligor and the Issuer.

(e) If the Obligor is not in default hereunder or under the Agreement, the Issuer agrees, on request of the Obligor, from time to time, to use its reasonable efforts to issue the amount of Additional Bonds specified by the Obligor; provided that the terms of such Additional Bonds, the purchase price to be paid therefor and the manner in which the proceeds thereof are to be disbursed shall have been

approved in writing by the Obligor, and provided further that (1) the Obligor and the Issuer shall have entered into an amendment to the Agreement to provide, among other things, that the Project shall include the facilities, if any, being financed by the Additional Bonds, for additional loan payments in an amount at least sufficient to pay principal of, premium, if any, and interest on the Additional Bonds when due, and, if applicable, for a deposit into the Reserve Fund of additional Reserve Fund Obligations which, together with amounts at that time contained in the Reserve Fund, will equal the Reserve Fund Requirement on all Bonds Outstanding at the date of issuance of such series of Additional Bonds, and (2) the Obligor and the Master Trustee shall have entered into a supplement to the Master Indenture whereby the Obligor issues a Note or Notes securing payment of the principal of, premium, if any, and interest on the Additional Bonds. The Issuer agrees to comply with Sections 2.09 and 2.10 with respect to the issuance of Additional Bonds.

Section 3.02. Creation of the Bond Fund. There is hereby created by the Issuer and ordered established with the Bond Trustee a trust fund to be designated as the “New Hope Cultural Education Facilities Finance Corporation Retirement Facility Revenue Bonds (Buckingham Senior Living Community, Inc. Project) Bond Fund” (the “Bond Fund”). There are hereby created by the Issuer and ordered established with the Bond Trustee five separate accounts within the Bond Fund to be designated as the “Series 2021A Principal Account”, “Series 2021B Principal Account”, “Series 2021A Interest Account”, “Series 2021B Interest Account” and the “Excess Cash Account”, respectively. Moneys on deposit in the Series 2021A Principal Account and Series 2021B Principal Account shall be used to pay the principal of and premium, if any, on the Series 2021A Bonds and Series 2021B Bonds, respectively, when due and payable. Moneys on deposit in the Series 2021A Interest Account and Series 2021B Interest Account shall be used to pay the interest on the Series 2021A Bonds and Series 2021B Bonds, respectively. Moneys on deposit in the Excess Cash Account shall be used to pay the redemption price of, first, Series 2021A-2 Bonds and, then, Series 2021A-1 Bonds and, then, Series 2021B Bonds on each Excess Cash Redemption Date as provided in Section 5.11 hereof.

Section 3.03. Payments into the Bond Fund. In addition, there shall also be deposited into the Series 2021A Principal Account, Series 2021B Principal Account, Series 2021A Interest Account and Series 2021B Interest Account, as applicable, as and when received, (i) all other moneys required to be deposited therein pursuant to the Agreement, and (iii) all other moneys received by the Bond Trustee when accompanied by directions from the Issuer or the Obligor that such moneys are to be paid into the Series 2021A Principal Account, Series 2021B Principal Account, Series 2021A Interest Account and Series 2021B Interest Account. There also shall be retained or deposited in the Series 2021A Principal Account, Series 2021B Principal Account, Series 2021A Interest Account and Series 2021B Interest Account all interest and other income received on investments or moneys required to be transferred thereto, in accordance with Section 6.02 hereof. The Issuer hereby covenants and agrees that so long as any of the Bonds are Outstanding it will deposit, or cause to be deposited, into the Series 2021A Principal Account, Series 2021B Principal Account, Series 2021A Interest Account and Series 2021B Interest Account for its account sufficient sums from revenues and receipts derived from the Agreement promptly to meet and pay the principal of, premium, if any, and interest on the Bonds as the same become due and payable.

(b) There shall be deposited into the Excess Cash Account all moneys received by the Bond Trustee from the Master Trustee pursuant to Section 3.01(c) Seventh of the Master Indenture for deposit therein. All interest and other income received on investments in the Excess Cash Account shall be retained therein.

Section 3.04. Use of Moneys in the Bond Fund. (a) Except as provided in Section 8.05 hereof, moneys in the Series 2021A Principal Account, Series 2021B Principal Account, Series 2021A Interest

Account and Series 2021B Interest Account shall be used solely for the payment of the principal of, premium, if any, and interest on the applicable series of Bonds on a pro rata basis.

(b) Except as provided in Section 8.05 hereof, any moneys in the Excess Cash Account shall be used to redeem the Series 2021 Bonds on each Excess Cash Redemption Date. Upon receipt by the Bond Trustee of the financial report set forth in Section 4.15(b)(ii) of the Master Indenture providing a calculation of the Days Cash on Hand as of June 30 and December 31, and if such calculation states that the Days Cash on Hand exceeds 135 Days Cash on Hand as of such calculation date, the Bond Trustee shall call for redemption on the next Excess Cash Redemption Date the maximum principal amount of Series 2021 Bonds for which the amount on deposit in the Excess Cash Account is sufficient to pay the redemption price, plus accrued and unpaid interest on such principal; provided that the Series 2021A-2 Bonds shall be redeemed in full first, then the Series 2021A-1 Bonds and then the Series 2021B Bonds.

Section 3.05. Custody of the Bond Fund. The Bond Fund shall be in the custody of the Bond Trustee but in the name of the Issuer, and the Issuer hereby authorizes and directs the Bond Trustee to withdraw sufficient funds from the Principal Accounts or the Interest Accounts of the Bond Fund to pay the principal of, premium, if any, and interest on the Bonds as the same come due and payable, which authorization and direction the Bond Trustee hereby accepts and to withdraw sufficient funds from the Excess Cash Account to pay the redemption price of the Bonds as further set forth herein.

Section 3.06. Construction Fund. (a) There is hereby created and established with the Bond Trustee a trust fund designated as the “New Hope Cultural Education Facilities Finance Corporation Retirement Facility Revenue Bonds (Buckingham Senior Living Community, Inc. Project) Construction Fund” (the “Construction Fund”). Moneys in the Construction Fund shall be used to pay Costs of the Series 2021A-1 Project or as hereinafter provided. Under no circumstances shall moneys in the Construction Fund be used to pay Cost of Issuance.

(b) Payments from the Construction Fund shall be made in accordance with this Article III and Article IV of the Agreement. Upon receipt of the required certificates, the Bond Trustee shall pay the amount requested to the extent that the Obligor is entitled to payment pursuant to the Agreement.

(d) If an Event of Default occurs under this Bond Indenture, no moneys may be paid out of the Construction Fund by the Bond Trustee, except at the direction of the Majority Holders.

Section 3.07. Completion Certificate. At such time as the Obligor determines that construction of the Series 2021A-1 Project has been completed in substantial compliance with the final plans and specifications for the Series 2021A-1 Project or has determined to terminate any further construction of the Series 2021A-1 Project, it shall deliver the Completion Certificate to the Bond Trustee. Any amounts on deposit in the Construction Fund upon receipt of the Completion Certificate shall be transferred to the Series 2021A Principal Account and applied to redeem the Series 2021A-1 Bonds at the earliest practicable date, or if directed by the Majority Holders of the Series 2021A-1 Bonds, applied to such other purpose, provided that the Bond Trustee receive an Opinion of Bond Counsel that such application will not adversely affect the exclusion of interest on the Series 2021A-1 Bonds from federal income taxes.

Section 3.08. Creation of the Reserve Fund. (a) There is hereby created and established with the Bond Trustee a trust fund designated as the “New Hope Cultural Education Facilities Finance Corporation Retirement Facility Revenue Bonds (Buckingham Senior Living Community, Inc. Project) Debt Service Reserve Fund” (the “Reserve Fund”). Within the Reserve Fund there are hereby created and established three separate Reserve Accounts which are designated the “Series 2021A-1 Reserve Account,” “Series 2021A-2 Reserve Account” and the “Series 2021B Reserve Account”.

(b) Moneys on deposit in the Reserve Fund shall be used to provide a reserve for the payment of the principal of and interest on the applicable series of Bonds. Moneys on deposit in the Series 2021A-1 Reserve Account shall be used solely to provide a reserve for the payment of the principal of and interest on the Series 2021A-1 Bonds. Moneys on deposit in the Series 2021A-2 Reserve Account shall be used solely to provide a reserve for the payment of the principal of and interest on the Series 2021A-2 Bonds. Moneys on deposit in the Series 2021B Reserve Account shall be used solely to provide a reserve for the payment of the principal of and interest on the Series 2021B Bonds.

Section 3.09. Payments Into the Reserve Fund. In addition to the deposits required by Section 3.01 hereof, there shall be deposited into the appropriate Reserve Account of the Reserve Fund any Reserve Fund Obligations delivered by the Obligor to the Bond Trustee pursuant to Section 5.6 of the Loan Agreement and payments required to be deposited therein pursuant to Section 3.01(c) *SIXTH* of the Master Indenture. In addition, there shall be deposited into the appropriate Reserve Account of the Reserve Fund all moneys required to be transferred thereto pursuant to Section 6.02 hereof, and all other moneys received by the Bond Trustee when accompanied by directions from the Obligor that such moneys are to be paid into such Reserve Account of the Reserve Fund. There shall also be retained in each Reserve Account of the Reserve Fund all interest and other income received on investments of Reserve Fund moneys in such Reserve Account to the extent provided in Section 6.02 hereof.

Section 3.10. Use of Moneys in the Reserve Fund. (a) Except as provided herein and in Section 3.15 hereof, moneys in each Reserve Account in the Reserve Fund shall be used solely for the payment of the principal of and interest on the related series of Bonds in the event moneys in the Bond Fund are insufficient to make such payments when due, whether on an interest payment date, redemption date, maturity date, acceleration date or otherwise.

(b) On May 15 and November 15 in each year, any earnings on deposit in a Reserve Account of the Reserve Fund that are in excess of the Reserve Fund Requirement for such Reserve Account shall be transferred into the Interest Account for the related series of Bonds of the Bond Fund.

(c) On the final maturity date of any series of Series 2021A Bonds, the balance of applicable Reserve Account of the Reserve Fund shall be transferred to the Series 2021B Reserve Account. On the final maturity date of the Series 2021B Bonds, the balance of Series 2021B Reserve Account of the Reserve Fund shall be used to pay the principal of and interest on the Series 2021B Bonds on such final maturity date.

(d) Upon the occurrence of an Event of Default, amounts in the Reserve Fund shall be applied as directed by the Majority Holders.

Section 3.11. Custody of the Reserve Fund. The Reserve Fund and the Reserve Accounts therein shall be in the custody of the Bond Trustee, and the Issuer hereby authorizes and directs the Bond Trustee to transfer sufficient moneys from the applicable Reserve Account of the Reserve Fund to the Bond Trustee for deposit to the Bond Fund to pay the principal of and interest on the Bonds of the related series for the purposes herein described or as otherwise set forth herein, which authorization and direction the Bond Trustee hereby accepts.

Section 3.12. Nonpresentment of Bonds. In the event that any Bonds shall not be presented for payment when the principal thereof or interest thereon becomes due, either at maturity, the date fixed for redemption thereof, or otherwise, if funds sufficient for the payment thereof shall have been deposited into the Bond Fund or otherwise made available to the Bond Trustee for deposit therein as provided in Section 3.03 hereof, all liability of the Issuer to the Owner or Owners thereof for the payment of such

Bonds shall forthwith cease, determine and be completely discharged, and thereupon it shall be the duty of the Bond Trustee to hold such fund or funds, without liability for interest thereon, for the benefit of the Owner or Owners of such Bonds, who shall thereafter be restricted exclusively to such fund or funds for any claim of whatever nature on its or their part under this Bond Indenture or on, or with respect to, said Bond, and all such funds shall remain uninvested. If any Bond shall not be presented for payment within the period of two years following the date of final maturity of such Bond, the Bond Trustee shall, to the extent required by law, transfer such funds to the state treasury of the state in which the designated corporate trust office of the Bond Trustee is located, in which case the owner of such Bonds shall look only to such state for payment, or, in the alternative, to the extent permitted by law, the Bond Trustee shall, upon request in writing by the Obligor, return such funds to the Obligor free of any trust or lien and such Bond shall, subject to the defense of any applicable statute of limitation, thereafter be an unsecured obligation of the Obligor. In either event, the Bond Trustee shall have no further responsibility with respect to such moneys or payment of such Bonds. Thereafter, the Bondholders shall be entitled to look only to the Obligor for payment, and then only to the extent of the amount so repaid by the Bond Trustee. The Obligor shall not be liable for any interest on any sums paid to it.

Section 3.13. Bond Trustee's and Paying Agents' Fees, Charges, and Expenses. Pursuant to the provisions of the Agreement, the Obligor has agreed to pay to the Bond Trustee and to each Paying Agent, commencing with the effective date of the Agreement and continuing until the principal of, premium, if any, and interest on the Bonds shall have been fully paid or provision for the payment thereof shall have been made in accordance with the provisions of this Bond Indenture, the reasonable and necessary fees and expenses (including reasonable attorneys fees) of the Bond Trustee and each Paying Agent, as and when the same become due, upon the submission by the Bond Trustee and each Paying Agent of a statement therefor.

Section 3.14. Moneys to be Held in Trust. All moneys required to be deposited with or paid to the Bond Trustee under any provision of this Bond Indenture (except moneys in the Rebate Fund) shall be held by the Bond Trustee in trust for the purposes specified in this Bond Indenture, and except for moneys deposited with or paid to the Bond Trustee for the redemption of Bonds for which the notice of redemption has been duly given, shall, while held by the Bond Trustee, constitute part of the Trust Estate and be subject to the lien hereof.

Section 3.15. Intentionally Omitted.

Section 3.16. Rebate Fund.

(a) A special Rebate Fund is hereby established by the Issuer. The Rebate Fund shall be for the sole benefit of the United States of America and shall not be subject to the claim of any other Person, including without limitation the Bondholders. The Rebate Fund is established for the purpose of complying with Section 148 of the Code and the Treasury Regulations promulgated pursuant thereto. The money deposited in the Rebate Fund, together with all investments thereof and investment income therefrom, shall be held in trust and applied solely as provided in this Section. The Rebate Fund is not a portion of the Trust Estate and is not subject to the lien of this Bond Indenture. Notwithstanding the foregoing, the Bond Trustee with respect to the Rebate Fund is afforded all the rights, protections and immunities otherwise accorded to it hereunder.

(b) Within 55 days after the close of each fifth "Bond Year," the Obligor shall deliver to the Bond Trustee a computation in the form of a certificate of an officer of the Obligor of the amount of "Excess Earnings," if any, for the period beginning on the date of delivery of the Tax Exempt Bonds and ending at the close of such "Bond Year" and the Obligor shall pay to the Bond Trustee for deposit into the Rebate Fund an amount equal to the difference, if any, between the amount then in the Rebate Fund and

the Excess Earnings so computed. The term “Bond Year” means with respect to the Tax Exempt Bonds each one-year period ending on the anniversary of the date of delivery of the Tax Exempt Bonds or such other period as may be elected by the Issuer in accordance with the Regulations and notice of which election has been given to the Bond Trustee. If, at the close of any Bond Year, the amount in the Rebate Fund exceeds the amount that would be required to be paid to the United States of America under paragraph (d) below if the Tax Exempt Bonds had been paid in full, such excess may, at the request of the Obligor, be transferred from the Rebate Fund and paid to the Obligor.

(c) In general, “Excess Earnings” for any period of time means the sum of

(i) the excess of --

(A) the aggregate amount earned during such period of time on all “Nonpurpose Investments” (including gains on the disposition of such Obligations) in which “Gross Proceeds” of the issue are invested (other than amounts attributable to an excess described in this subparagraph (c)(i)), over

(B) the amount that would have been earned during such period of time if the “Yield” on such Nonpurpose Investments (other than amounts attributable to an excess described in this subparagraph (c)(i)) had been equal to the yield on the issue, plus

(ii) any income during such period of time attributable to the excess described in subparagraph (c)(i) above.

The term Nonpurpose Investments, Gross Proceeds, Issue Date and Yield shall have the meanings given to such terms in section 148 of the Code and the Regulations promulgated pursuant to such section.

(d) The Bond Trustee shall, as directed in writing by the Obligor, pay to the United States of America at least once every five years, to the extent that funds are available in the Rebate Fund or otherwise provided by the Obligor, an amount that ensures that at least 90 percent of the Excess Earnings from the date of delivery of the Tax Exempt Bonds to the close of the period for which the payment is being made will have been paid. The Bond Trustee shall pay to the United States of America not later than 60 days after the Tax Exempt Bonds have been paid in full as directed by the Obligor in writing, to the extent that funds are available in the Rebate Fund or otherwise provided by the Obligor, 100 percent of the amount then required to be paid under Section 148(f) of the Code as a result of Excess Earnings.

(e) The amounts to be computed, paid, deposited or disbursed under this section shall be determined by the Obligor acting on behalf of the Issuer within thirty days after each Bond Year after the date of issuance of such issue or series of Tax Exempt Bonds. By such date, the Obligor shall also notify, in writing, the Bond Trustee and the Issuer of the determinations the Obligor has made and the payment to be made pursuant to the provisions of this section. Upon written request of any Registered Owner of Tax Exempt Bonds, the Obligor shall furnish to such Registered Owner of Tax Exempt Bonds a certificate (supported by reasonable documentation, which may include calculation by Bond Counsel or by some other service organization) showing compliance with this section and other applicable provisions of section 148 of the Code.

(f) The Bond Trustee shall maintain a record of the periodic determinations by the Obligor of the Excess Earnings for a period beginning on the first anniversary date of the issuance of the Tax Exempt Bonds and ending on the date six years after the final retirement of the Tax Exempt Bonds. Such records shall state each such anniversary date and summarize the manner in which the Excess Earnings, if any, was determined.

(g) If the Bond Trustee shall declare the principal of the Tax Exempt Bonds and the unpaid interest accrued thereon immediately due and payable as the result of an Event of Default specified in this Bond Indenture, or if the Tax Exempt Bonds are optionally or mandatorily prepaid or redeemed prior to maturity as a whole in accordance with their terms, any amount remaining in any of the Funds shall be transferred to the Rebate Fund to the extent that the amount therein is less than the Excess Earnings computed by the Obligor as of the date of such acceleration or redemption, and the balance of such amount shall be used immediately by the Bond Trustee for the purpose of paying principal of, redemption premium, if any, and interest on the Tax Exempt Bonds when due. In furtherance of such intention, the Issuer hereby authorizes and directs its President to execute any documents, certificates or reports required by the Code and to make such elections, on behalf of the Issuer, which may be permitted by the Code as are consistent with the purpose for the issuance of the Tax Exempt Bonds.

(h) The requirements contained in this Section relating to the computation and payment of Excess Earnings shall not be applicable if all Gross Proceeds of the Tax Exempt Bonds are expended in compliance with Treasury Regulations Section 1.148-7.

(i) Notwithstanding any of the provisions of this Section, the Bond Trustee shall have no duty or responsibility with respect to the Rebate Fund except to follow the specific written instructions of the Obligor.

Section 3.17. Intentionally Omitted.

Section 3.18. Cost of Issuance Fund. There is hereby created and established with the Bond Trustee a trust fund designated as the “New Hope Cultural Education Facilities Finance Corporation Retirement Facility Revenue Bonds (Buckingham Senior Living Community, Inc. Project) Cost of Issuance Fund” (the “Cost of Issuance Fund”). The Bond Trustee shall disburse moneys in the Cost of Issuance Fund as provided in Section 4.7 of the Agreement. Moneys in the Cost of Issuance Fund may be used only for payment of the Cost of Issuance. On the earlier of (a) the day the Bond Trustee receives a certificate of the Obligor to the effect that all Cost of Issuance relating to the Bonds has been paid and (b) June 30, 2022, any moneys remaining in the Cost of Issuance Fund shall be transferred to the Operating Reserve Fund under the Master Trust Indenture, and thereafter no such moneys shall be used to pay Cost of Issuance. The Cost of Issuance Fund shall then be closed.

ARTICLE IV

COVENANTS OF THE ISSUER

Section 4.01. Performance of Covenants: Authority. The Issuer covenants that it will faithfully perform at all times any and all covenants, undertakings, stipulations, and provisions contained in this Bond Indenture, in any and every Bond and in all proceedings of the Board of Directors pertaining hereto; provided, however, that except for the covenant of the Issuer set forth in Section 4.02 hereof relating to payment of the Bonds, the Issuer shall not be obligated to take any action or execute any instrument pursuant to any provision hereof until it shall have been requested to do so by the Obligor or by the Bond Trustee, or shall have received the instrument to be executed and at the option of the Issuer shall have received from the party requesting such execution assurance satisfactory to the Issuer that the Issuer shall be reimbursed for its reasonable expenses incurred or to be incurred in connection with taking such action or executing such instrument. The Issuer represents that it is duly authorized under the laws of the State of Texas, including particularly and without limitation the Act, to issue the Series 2021 Bonds and to execute this Bond Indenture, and to pledge the revenues and receipts hereby pledged, and to assign its rights under and pursuant to the Agreement and the Series 2021 Notes in the manner and to the extent herein set forth, that all action on its part and to the extent herein set forth, that all action on its part for the issuance of the Series 2021 Bonds and the execution and delivery of this Bond Indenture has been duly and effectively taken and will be duly taken as provided herein, and that the Series 2021 Bonds in the hands of the Owners thereof are and will be valid and enforceable limited obligations of the Issuer according to the import hereof, except as enforcement thereof and hereof may be limited by bankruptcy, insolvency, moratorium, reorganization and other similar laws affecting the rights of creditors and by the application of general principles of equity, if such remedies are pursued.

Section 4.02. Payments of Principal, Premium, If Any, and Interest. The Issuer will promptly pay or cause to be paid the principal of, premium, if any, and interest on all Bonds issued hereunder according to the terms hereof. The principal, premium, if any, and interest payments are payable solely from revenues and other amounts derived from the Note or Notes, and from the other security pledged hereby, which revenues and security are hereby specifically pledged to the payment thereof in the manner and to the extent herein specified. Nothing in the Bonds or in this Bond Indenture shall be considered or construed as pledging any funds or assets of the Issuer other than those pledged hereby.

Section 4.03. Supplemental Indentures: Recordation of Bond Indenture and Supplemental Indentures. The Issuer will execute and deliver all indentures supplemental hereto, and will cause this Bond Indenture, the Agreement, and all supplements hereto and thereto, as well as all security instruments and financing statements relating thereto, to be filed in each office required by law in order to publish notice of the liens created by this Bond Indenture and the Agreement. The Bond Trustee, at the Obligor's direction and expense, will cause all continuation statements and all supplements to any financing statement or continuation statement and other instruments as may be required, at all times to be recorded, registered and filed in such manner and in such places as may be required by law in order fully to preserve and protect the security of the Bondholders and all rights of the Bond Trustee hereunder.

The Bond Trustee shall not be responsible for and makes no representation as to existence, genuineness, value or protection of any collateral, for the legality, effectiveness or sufficiency of any security document, or for the creation, perfection, priority, sufficiency or protection of any liens securing the Bonds.

Section 4.04. Lien of Bond Indenture. The Issuer hereby agrees not to create any lien having priority or preference over the lien of this Bond Indenture upon the Trust Estate or any part thereof, other than the security interest granted by it to the Bond Trustee, except as otherwise specifically provided in

Article VII hereof. The Issuer agrees that no obligations the payment of which is secured by payments or other moneys or amounts derived from the Agreement and the other sources provided herein will be issued by it except in accordance with Sections 2.09 and 2.10 of this Bond Indenture.

Section 4.05. Rights Under the Agreement. The Issuer will observe all of the obligations, terms and conditions required on its part to be observed or performed under the Agreement. The Issuer agrees that wherever in the Agreement it is stated that the Issuer will notify the Bond Trustee, give the Bond Trustee some right or privilege, or in any way attempts to confer upon the Bond Trustee the ability for the Bond Trustee to protect the security for payment of the Bonds, that such part of the Agreement shall be as though it were set out in this Bond Indenture in full.

The Issuer agrees that the Bond Trustee as assignee of the Agreement may enforce, in its name or in the name of the Issuer, all rights of the Issuer (except those rights to indemnification and payment under Sections 5.7, 7.5, 7.9 and 9.5 thereof) and all obligations of the Obligor under and pursuant to the Agreement for and on behalf of the Bondholders, whether or not the Issuer is in default hereunder.

Section 4.06. Tax Covenants. (a) The Issuer covenants and agrees that until the final maturity of the Tax Exempt Bonds of any issue, based upon the Obligor's covenants in Section 4.9 of the Agreement, it will not knowingly take any action, use any money on deposit in any Fund or Account maintained in connection with the Tax Exempt Bonds of such issue, whether or not such money was derived from the proceeds of the sale of the Tax Exempt Bonds of such issue or from any other source, in a manner that would cause the Tax Exempt Bonds of any issue to be arbitrage bonds, within the meaning of Section 148 of the Code. In the event the Obligor notifies the Issuer that it is necessary to restrict or limit the yield on the investment of moneys held by the Bond Trustee pursuant to this Bond Indenture, or to use such moneys in any certain manner to avoid the Tax Exempt Bonds of any issue being considered arbitrage bonds, the Issuer at the written direction and expense of the Obligor shall deliver to the Bond Trustee appropriate written instructions of the Issuer, in which event the Bond Trustee shall take such action as instructed to restrict or limit the yield on such investment or to use such moneys in accordance with such instructions.

(b) The Issuer shall not knowingly use any proceeds of Tax Exempt Bonds or any other funds of the Issuer, directly or indirectly, in any manner, and shall not take any other action or actions, that would result in any of the Tax Exempt Bonds being treated other than as an obligation described in Section 103(a) of the Code.

(c) The Issuer will not knowingly use any portion of the proceeds of the Tax Exempt Bonds, including any investment income earned on such proceeds, directly or indirectly, to make or finance loans to Persons who are not Exempt Persons. For purposes of the preceding sentence, a loan to an organization described in Section 501(c)(3) of the Code for use with respect to an unrelated trade or business, determined according to Section 513(a) of the Code, constitutes a loan to a Person who is not an Exempt Person.

(d) The Issuer will not knowingly take any action that would result in all or any portion of the Tax Exempt Bonds being treated as federally guaranteed within the meaning of Section 149(b)(2) of the Code.

(e) For purposes of this Section, the Issuer's compliance shall be based solely on acts or omissions by the Issuer, and no acts, omissions or directions of the Obligor, the Bond Trustee or any other Persons shall be attributable to the Issuer.

(f) The Issuer hereby represents and covenants as follows:

(i) the Issuer will, at the direction and expense of the Obligor, comply with, and make all filings required by, all effective rules, rulings or Regulations promulgated by the Department of the Treasury or the Internal Revenue Service with respect to the obligations such as the Tax Exempt Bonds, if any;

(ii) the Issuer will not knowingly take any action related to the Series 2021 Project, the Tax Exempt Bonds or the proceeds of the Tax Exempt Bonds that is not provided for in the Agreement or this Bond Indenture without the written consent of the Obligor and an Opinion of Bond Counsel.

Section 4.07. Change in Law. To the extent that published rulings of the Internal Revenue Service, or amendments to the Code or the Regulations modify the covenants of the Issuer that are set forth in this Bond Indenture or that are necessary for interest on the Tax Exempt Bonds to be excludable from gross income for federal income tax purposes, the Issuer, upon receiving the written Opinion of Bond Counsel to such effect, will comply, at the expense of the Obligor, with such modifications and direct the Bond Trustee to take such action as may be required to comply with such modifications.

ARTICLE V

REDEMPTION OF BONDS

Section 5.01. Optional Redemption of Series 2021 Bonds. (a) The Series 2021A Bonds are not subject to optional redemption prior to maturity.

(b) The Series 2021B Bonds are subject to optional redemption prior to maturity by the Issuer at the written direction of the Obligor at any time on or after the Par Call Date at a redemption price equal to the principal amount of such Series 2021B Bonds to be redeemed, together with accrued and unpaid interest to the redemption date.

(c) The Series 2021B Bonds are also subject to optional redemption prior to the Par Call Date by the Issuer at the written direction of the Obligor at any time on or after November 15, 2026 at a redemption price set forth below as a percentage of the principal amount of the Bonds to be redeemed, together with accrued and unpaid interest to the redemption date.

<u>Redemption Date</u>	<u>Redemption Price</u>
November 15, 2026 - November 14, 2027	105%
November 15, 2027 - November 14, 2028	104
November 15, 2028 - November 14, 2029	103
November 15, 2029 - November 14, 2030	102
November 15, 2030 - November 14, 2031	101

Section 5.02. Sinking Fund Redemption.

(a) The Series 2021A-1 Bonds are subject to mandatory sinking fund redemption at a redemption price equal to the principal amount thereof plus accrued and unpaid interest to the redemption date. As and for a sinking fund for the redemption of such Series 2021A-1 Bonds, the Issuer shall cause to be deposited into the Series 2021A-1 Principal Account of the Bond Fund a sum which is sufficient to redeem on November 15 of each of the following years (after credit as provided below) the following principal amounts of such Series 2021A-1 Bonds, plus accrued and unpaid interest to the redemption date:

<u>Year</u>	<u>Amount</u>	<u>Year</u>	<u>Amount</u>
2036	\$493,000	2037*	\$3,427,000

*maturity

(b) The Series 2021A-2 Bonds are subject to mandatory sinking fund redemption at a redemption price equal to the principal amount thereof plus accrued and unpaid interest to the redemption date. As and for a sinking fund for the redemption of such Series 2021A-2 Bonds, the Issuer shall cause to be deposited into the Series 2021A-2 Principal Account of the Bond Fund a sum which is sufficient to redeem on November 15 of each of the following years (after credit as provided below) the following principal amounts of such Series 2021A-2 Bonds, plus accrued and unpaid interest to the redemption date:

<u>Year</u>	<u>Amount</u>	<u>Year</u>	<u>Amount</u>
2026	\$1,547,000	2032	\$2,387,000
2027	1,663,000	2033	2,566,000
2028	1,788,000	2034	2,759,000
2029	1,922,000	2035	2,966,000
2030	2,066,000	2036*	2,695,000
2031	2,221,000		

*maturity

(c) The Series 2021B Bonds are subject to mandatory sinking fund redemption at a redemption price equal to the principal amount thereof plus accrued and unpaid interest to the redemption date. As and for a sinking fund for the redemption of such Series 2021B Bonds, the Issuer shall cause to be deposited into the Series 2021B Principal Account of the Bond Fund a sum which is sufficient to redeem on November 15 of each of the following years (after credit as provided below) the following principal amounts of such Series 2021B Bonds, plus accrued and unpaid interest to the redemption date:

<u>Year</u>	<u>Amount</u>	<u>Year</u>	<u>Amount</u>
2038	\$2,870,000	2050	\$5,534,000
2039	3,031,000	2051	5,846,000
2040	3,202,000	2052	6,175,000
2041	3,382,000	2053	6,522,000
2042	3,572,000	2054	6,889,000
2043	3,773,000	2055	7,276,000
2044	3,985,000	2056	7,685,000
2045	4,210,000	2057	8,118,000
2046	4,446,000	2058	8,574,000
2047	4,696,000	2059	9,057,000
2048	4,961,000	2060	9,566,000
2049	5,240,000	2061*	Remaining
			Principal Amount

*maturity

(d) In the event that Bonds of any subseries have been optionally redeemed pursuant to Section 5.01 or redeemed from Excess Cash pursuant to Section 5.11 (otherwise than through the operation of the sinking fund) and canceled by the Bond Trustee, at the request of the Obligor the corresponding principal amounts shall be applied as a credit against the sinking fund redemption obligations of such subseries of Series 2021 Bonds on a pro rata basis against all future sinking fund redemption obligations.

Section 5.03. Method of Selection of Bonds in Case of Partial Redemption; Redemption Priority.

(a) In the event that less than all of the Outstanding Series 2021 Bonds or portions thereof are to be redeemed as provided in Sections 5.08 or 5.11 hereof, the Series 2021 Bonds to be redeemed shall be selected first, from any Outstanding Series 2021A-2 Bonds, then from any Outstanding Series 2021A-1 Bonds, and then from any Outstanding Series 2021B Bonds.

(b) In the event that less than all of the Outstanding Series 2021 Bonds or portions thereof of a particular series are to be redeemed, they shall be selected by the Securities Depository or by lot in such manner as the Bond Trustee may determine; provided that if the Series 2021A-2 Bonds are to be redeemed, they shall be redeemed on a pro rata basis and if such Series 2021A-2 Bonds are registered in book-entry form and so long as DTC or a successor securities depository is the sole registered owner of the Series 2021A-2 Bonds, the particular Series 2021A-2 Bonds or portions thereof to be redeemed shall be allocated on a pro rata pass-through distribution of principal basis in accordance with DTC procedures, provided that, so long as the Series 2021A-2 Bonds are held in book-entry form, the selection for redemption of such Bonds shall be made in accordance with the operational arrangements of DTC then in effect. If the DTC operational arrangements do not allow for the redemption of the Series 2021A-2 Bonds on a pro rata pass-through distribution of principal basis as described above, then the Series 2021A-2 Bonds will be selected for redemption, in accordance with DTC procedures, by lot or in such other manner as is in accordance with the applicable DTC operational arrangements.

Section 5.04. Notice of Redemption. Series 2021 Bonds shall be called for redemption by the Bond Trustee as herein provided upon receipt by the Bond Trustee at least 45 days prior to the redemption date of a certificate of the Obligor (unless a shorter notice shall be satisfactory to the Bond Trustee) specifying the principal amount of Series 2021 Bonds (including the particular maturities and interest rate) to be called for redemption, the applicable redemption price or prices and the provision or provisions of this Bond Indenture pursuant to which such Series 2021 Bonds are to be called for redemption. The provisions of the preceding sentence shall not apply to the redemption of Series 2021 Bonds pursuant to the sinking fund provided in Section 5.02 hereof or pursuant to the mandatory excess cash redemption provided in Section 5.11 hereof, and such Series 2021 Bonds shall be called for redemption by the Bond Trustee without the necessity of any action by the Obligor or the Issuer. In case of every redemption, the Bond Trustee shall cause notice of such redemption to be given by mailing by first class mail, postage prepaid, a copy of the redemption notice to the Owners of the Series 2021 Bonds designated for redemption in whole or in part, at their addresses as the same shall last appear upon the registration books, in each case not more than 60 nor less than 30 days prior to the redemption date. In addition, notice of redemption shall be sent by first class or registered mail, return receipt requested, or by over night delivery service (1) contemporaneously with such mailing: (A) to any Owner of \$1,000,000 or more in principal amount of Series 2021 Bonds and (B) to at least two or more information services of national recognition that disseminate redemption information with respect to municipal bonds; and (2) to any securities depository registered as such pursuant to the Securities Exchange Act of 1934, as amended, that is an Owner of Series 2021 Bonds to be redeemed so that such notice is received at least two days prior to such mailing date. An additional notice of redemption shall be given by certified mail, postage prepaid, mailed not less than 60 nor more than 90 days after the redemption date to any Owner of Series 2021 Bonds selected for redemption that has not surrendered the Series 2021 Bonds called for redemption, at the address as the same shall last appear upon the registration books.

All notices of redemption shall state:

- (1) the redemption date,
- (2) the redemption price,
- (3) the identification, including complete designation (including series) and issue date of the Series 2021 Bonds and the CUSIP number (and in the case of partial redemption, certificate number and the respective principal amounts, interest rates and maturity dates) of the Series 2021 Bonds to be redeemed,

(4) that on the redemption date (subject to the occurrence of any condition set forth in the notice) the redemption price will become due and payable upon each such Series 2021 Bonds, and that interest thereon shall cease to accrue from and after said date,

(5) the name and address of the Bond Trustee and any Paying Agent for such Series 2021 Bonds, including the place where such Series 2021 Bonds are to be surrendered for payment of the redemption price and the name and phone number of a contact person at such address, and

(6) any condition to the redemption.

Provided, however, that failure to give any such notice, or any defect therein, shall not affect the validity of any proceedings for the redemption of such Series 2021 Bonds.

Section 5.05. Bonds Due and Payable on Redemption Date; Interest Ceases to Accrue. On or before the business day prior to the redemption date specified in the notice of redemption, an amount of money sufficient to redeem all Series 2021 Bonds called for redemption at the appropriate redemption price, including accrued and unpaid interest to the date fixed for redemption, shall be deposited with the Bond Trustee. If at the time of mailing of notice of any optional redemption the Obligor shall not have deposited with the Bond Trustee moneys sufficient to redeem all of the Series 2021 Bonds called for redemption, such notice may state that it is conditional in that it is subject to the deposit of moneys with the Bond Trustee not later than the redemption date, and such notice shall be of no effect unless such moneys are so deposited. On the redemption date the principal amount of each Series 2021 Bond to be redeemed, together with the accrued and unpaid interest thereon to such date and redemption premium, if any, shall become due and payable; and from and after such date, notice having been given and deposit having been made in accordance with the provisions of this Article V, then, notwithstanding that any Series 2021 Bonds called for redemption shall not have been surrendered, no further interest shall accrue on any such Series 2021 Bonds. From and after such date of redemption (such notice having been given and such deposit having been made), the Series 2021 Bonds to be redeemed shall not be deemed to be Outstanding hereunder, and the Issuer shall be under no further liability in respect thereof.

Section 5.06. Cancellation. All Bonds which have been redeemed shall be cancelled by the Bond Trustee and treated as provided in Section 2.11 hereof.

Section 5.07. Partial Redemption of Fully Registered Bonds. Upon surrender of any fully registered Bond for redemption in part only, the Issuer shall execute and the Bond Trustee shall authenticate and deliver to the Owner thereof, at the expense of the Obligor, a new Bond or Bonds of the same maturity and interest rate of Authorized Denominations in an aggregate principal amount equal to the unredeemed portion of the Bond surrendered.

Section 5.08. Extraordinary Optional Redemption. The Bonds shall be subject to optional redemption by the Issuer at the direction of the Obligor prior to their scheduled maturities, in whole or in part at a redemption price equal to the principal amount thereof plus accrued and unpaid interest from the most recent Interest Payment Date on which the interest has been paid to the redemption date on any date following the occurrence of any of the following events:

(1) in case of damage or destruction to, or condemnation of, any property, plant, and equipment of any Obligated Group Member, to the extent that the net proceeds of insurance or condemnation award exceed the Threshold Amount, and the Obligor has

determined not to use such net proceeds or award to repair, rebuild or replace such property, plant, and equipment; or

(2) as a result of any changes in the Constitution or laws of the State of Texas or of the United States of America or of any legislative, executive, or administrative action (whether state or federal) or of any final decree, judgment, or order of any court or administrative body (whether state or federal), the obligations of the Obligor under the Loan Agreement have become, as established by an Opinion of Counsel, void or unenforceable in each case in any material respect in accordance with the intent and purpose of the parties as expressed in the Loan Agreement.

Section 5.09. Purchase in Lieu of Redemption. (a) If any Series 2021 Bond is called for optional redemption in whole or in part, the Obligor may elect to have such Series 2021 Bond purchased in lieu of redemption.

(b) Purchase in lieu of redemption shall be available with respect to all Series 2021 Bonds called for optional redemption or for such lesser portion of such Series 2021 Bonds as constitute Authorized Denominations. The Obligor may direct the Bond Trustee to purchase all or such lesser portion of the Series 2021 Bonds so called for optional redemption with funds provided by the Obligor. Any such direction to the Bond Trustee must be in writing, state either that all the Series 2021 Bonds called for redemption are to be purchased or, if less than all of the Series 2021 Bonds called for redemption are to be purchased, identify those Series 2021 Bonds to be purchased by maturity date and outstanding principal amount in Authorized Denominations, and be received by the Bond Trustee no later than 12:00 noon at least five Business Days (as defined in the Master Indenture) prior to the scheduled redemption date thereof.

(c) Subject in all cases to operational or other restrictions or requirements of the Securities Depository, if so directed, the Bond Trustee shall purchase (solely with funds available or provided as described in (e) below) such Series 2021 Bonds on the date which otherwise would be the redemption date of such Series 2021 Bonds. Such purchase shall be made for the account of the Obligor or its designee. Any of the Series 2021 Bonds called for optional redemption that are not purchased in lieu of redemption shall be redeemed as otherwise required by this Bond Indenture on such redemption date.

(d) Subject in all cases to any operational or other restrictions or requirements of the Securities Depository, on or prior to the scheduled redemption date, any direction given to the Bond Trustee by the Obligor may be withdrawn by the Obligor by written notice to the Bond Trustee. Subject generally to this Bond Indenture, should a direction to purchase be withdrawn, the scheduled optional redemption of such Series 2021 Bonds shall occur.

(e) The purchase price of the Series 2021 Bonds shall be equal to the outstanding principal of, accrued and unpaid interest on and the redemption premium, if any, which would have been payable on such Series 2021 Bonds on the scheduled redemption date for such redemption. To pay the purchase price of such Series 2021 Bonds, the Bond Trustee shall use (A) funds deposited by the Obligor with the Bond Trustee for such purpose and (B) funds, if any, held under this Bond Indenture that the Bond Trustee would have used to pay the outstanding principal of, accrued and unpaid interest on and the redemption premium, if any, that would have been payable on the optional redemption of such Series 2021 Bonds on the scheduled redemption date. The Bond Trustee shall not purchase the Series 2021 Bonds pursuant to the above provisions if by no later than the redemption date, sufficient moneys have not been deposited with the Bond Trustee, or such moneys are deposited but are not available for such purpose.

(f) No notice of the purchase in lieu of redemption shall be required to be given to the Bondholders (other than the notice of redemption otherwise required for such Series 2021 Bond).

Section 5.10. Mandatory Redemption upon Completion or Termination of the Series 2021A-1 Project. The Series 2021A-1 Bonds are subject to mandatory redemption in whole or in part on any date for which timely notice of redemption can be given by the Bond Trustee following the Completion Date at a redemption price equal to the aggregate principal amount of the Series 2021A-1 Bonds to be redeemed plus accrued and unpaid interest to the redemption date, without premium, to the extent Surplus Construction Fund Moneys are transferred to the Series 2021A Principal Account of the Bond Fund (but only in Authorized Denominations).

Section 5.11. Mandatory Entrance Fee Redemption. (a) To the extent that moneys are on deposit in the Excess Cash Account, the Bonds are subject to mandatory redemption in Authorized Denominations on the next following Excess Cash Redemption Date at a redemption price equal to the principal amount thereof plus accrued and unpaid interest to such redemption date to the extent set forth in Section 3.04(b) of this Bond Indenture.

(b) The principal amount of the Bonds to be redeemed on an Excess Cash Date shall be equal to the largest Authorized Denomination of the Bonds for which the redemption price thereof is on deposit in the Excess Cash Account on the date the Bonds are called for redemption.

(c) As soon as practicable after each Excess Cash Redemption Date, the Bond Trustee shall give notice to the Master Trustee of the principal amount of the Bonds that remains Outstanding after such redemption.

(d) Notwithstanding the foregoing, the Series 2021A-2 Bonds shall be redeemed first, and then the Series 2021A-1 Bonds shall be redeemed and then the Series 2021B Bonds shall be redeemed.

ARTICLE VI

INVESTMENTS

Section 6.01. Investment of Bond Fund, Construction Fund and Reserve Fund Moneys. Any moneys held as part of the Bond Fund, Construction Fund or Reserve Fund shall be invested or reinvested by the Bond Trustee at the written request and direction of the Obligor (upon which the Bond Trustee is entitled to rely) in Permitted Investments. All Permitted Investments shall be either subject to redemption at any time at a fixed value at the option of the owner thereof or shall mature or be marketable not later than the business day prior to the date on which the proceeds are expected to be expended. For the purpose of any investment or replacement under this Section, the Permitted Investments shall be deemed to mature at the earliest date on which the obligor is, on demand, obligated to pay a fixed sum in discharge of the whole of such obligation. The Bond Trustee may make any and all investments permitted by the provisions of this Section through its trust department. In order to comply with the directions of the Obligor, the Bond Trustee may sell or present for redemption, or may otherwise cause liquidation prior to their maturities, any of the obligations in which funds have been invested, and the Bond Trustee shall not be liable for any loss or penalty of any nature resulting therefrom and shall not be required to determine the legality or suitability of any investments. In order to avoid loss in the event of any need for funds, the Obligor may instruct the Bond Trustee, in lieu of a liquidation or redemption of investments in the Fund or Account needing funds, to exchange such investment for investments in another Fund or Account that may be liquidated at no, or at reduced, loss. The Bond Trustee shall be under no liability for interest on any moneys received hereunder unless specifically agreed to in writing.

Section 6.02. Allocation and Transfers of Investment Income. Any investments in any Fund or Account shall be held by or under the control of the Bond Trustee and shall be deemed at all times a part of the Fund or Account from which the investment was made. Any loss resulting from such investments shall be charged to such Fund or Account. The Bond Trustee shall not be liable for any loss or penalty resulting from any such investment made in accordance with any permitted direction by the Obligor or for the Bonds becoming "arbitrage bonds" by reason of any such investment. Any interest or other gain from any Fund or Account from any investment or reinvestment pursuant to Section 6.01 hereof shall be allocated and transferred as follows:

(a) Any interest or other gain realized as a result of any investments or reinvestments of moneys in the Construction Fund shall be credited to the Series 2021A-1 Interest Account of the Bond Fund on each May 15 and November 15.

(b) Any interest or other gain realized as a result of any investments or reinvestments of moneys in the any of the Principal Accounts or the Interest Accounts of the Bond Fund shall be credited to the applicable Interest Account on each May 15 and November 15 unless a deficiency exists in the Reserve Fund, in which case such interest or other gain shall be paid into the applicable subaccount of the Reserve Fund forthwith to the extent of the deficiency.

(c) Any interest or other gain realized as a result of any investments or reinvestments of moneys in the Reserve Fund shall be credited to the applicable subaccount of Reserve Fund if a deficiency exists therein at that time. If a deficiency does not exist in the Reserve Fund at that time, such interest or other gain on other amounts paid into the Reserve Fund shall be paid for deposit into the applicable Interest Account of the Bond Fund, in each case on each May 15 and November 15.

The Bond Trustee shall sell and reduce to cash a sufficient portion of such investments whenever the cash balance in any Fund is insufficient for the purposes of such Fund.

Section 6.03. Valuation of Permitted Investments. Accounting and valuation of Permitted Investments in any Fund or Account will be performed as follows:

(a) On a monthly basis the Bond Trustee shall furnish to the Obligor a full and complete statement of all receipts and disbursements of Permitted Investments in any Fund and Account covering such period.

(b) The Bond Trustee shall also furnish on or before November 15 and May 15 of each year a statement of the assets contained in each Fund and Account. Assets will be valued at market value as of the preceding November 14 and May 14, respectively, by the Bond Trustee in such statement in accordance with the normal valuation procedures of the Bond Trustee. The Bond Trustee is not required to provide brokerage confirmations to the Issuer or the Obligor so long as the statement of assets set forth above is provided by the Bond Trustee.

ARTICLE VII

DISCHARGE OF BOND INDENTURE

Section 7.01. Discharge of the Bond Indenture. If, when the Bonds secured hereby shall become due and payable in accordance with their terms or otherwise as provided in this Bond Indenture and the whole amount of the principal of, premium, if any, and interest due and payable upon all of the Bonds shall be paid, or provision shall have been made for the payment of the same, together with all other sums payable hereunder (including but not limited to the fees and expenses of the Bond Trustee and any Paying Agent, in accordance with Section 3.13 hereof), then the right, title and interest of the Bond Trustee in and to the Trust Estate and all covenants, agreements and other obligations of the Issuer to the Bondholders shall thereupon cease, terminate and become void and be discharged and satisfied. In such event, upon the written request of the Issuer or of the Obligor, and upon receipt of an Opinion of Counsel to the effect that all conditions precedent herein provided relating to the satisfaction and discharge of this Bond Indenture have been complied with, the Bond Trustee shall execute such documents as may be reasonably required by the Issuer. Any amounts in the Bond Fund, Reserve Fund and Construction Fund shall applied toward the payment of the principal or redemption price of or interest on the Bonds.

All Outstanding Bonds of any one or more series shall prior to the maturity or redemption date thereof be deemed to have been paid within the meaning and with the effect expressed in this Section if (i) in case said Bonds are to be redeemed on any date prior to their maturity, the Obligor shall have given to the Bond Trustee in form satisfactory to it irrevocable written instructions to give on a date in accordance with the provisions of Section 5.04 hereof notice of redemption of such Bonds on said redemption date, such notice to be given in accordance with the provisions of Section 5.04 hereof, (ii) there shall have been deposited with the Bond Trustee (or another Paying Agent) either moneys in an amount which shall be sufficient, or Government Obligations which shall not contain provisions permitting the redemption thereof at the option of the issuer, or any other Person other than the holder thereof, the principal of and the interest on which when due, and without any reinvestment thereof, will provide moneys which, together with the moneys, if any, deposited with or held by the Bond Trustee or any Paying Agent at the same time (including the Bond Fund and the Reserve Fund), shall be sufficient, in the opinion of an independent certified public accountant, to pay when due the principal of, premium, if any, and interest due and to become due on said Bonds on or prior to the redemption date or maturity date thereof, as the case may be, and (iii) in the event that said Bonds are not by their terms subject to redemption within the next 45 days, the Obligor shall have given the Bond Trustee in form satisfactory to it irrevocable written instructions to give, as soon as practicable in the same manner as the notice of redemption is given pursuant to Section 5.04 hereof, a notice to the Owners of such Bonds that the deposit required by subclause (ii) above has been made with the Bond Trustee and that said Bonds are deemed to have been paid in accordance with this Section and stating such maturity or redemption date upon which moneys are to be available for the payment of the principal of, premium, if any, and interest on said Bonds. Neither the Government Obligations nor moneys deposited with the Bond Trustee pursuant to this Section nor principal or interest payments on any such Government Obligations shall be withdrawn or used for any purpose other than, and shall be held in trust for, the payment of the principal of, premium, if any, and interest on said Bonds; provided any such cash received from such principal or interest payments on such Government Obligations deposited with the Bond Trustee, if not then needed for such purpose, shall, at the written direction of the Obligor, either (1) be reinvested, to the extent practicable, in Government Obligations of the type described in clause (ii) of this paragraph maturing at the times and in amounts sufficient to pay when due the principal of, premium, if any, and interest to become due on said Bonds on or prior to such redemption date or maturity date thereof, as the case may be or (2) be used to pay principal and/or interest on the Bonds. At such time as any Bond shall be deemed paid as aforesaid, it shall no longer be secured by or entitled to the benefits of this Bond Indenture, except for the purpose of any payment from such moneys or Government Obligations

deposited with the Bond Trustee and the purpose of transfer and exchange pursuant to Section 2.05 hereof.

The release of the obligations of the Issuer under this Section shall be without prejudice to the rights of the Bond Trustee to be paid reasonable compensation for all services rendered by it hereunder and all its reasonable and necessary expenses, charges and other disbursements incurred on or about the administration of the trust hereby created and the performance of its powers and duties hereunder.

ARTICLE VIII

DEFAULTS AND REMEDIES

Section 8.01. Events of Default. If any of the following events occur, it is hereby defined as and shall be deemed an “Event of Default”:

(a) Default in the payment of the principal of or premium, if any, on any Bond when the same shall become due and payable, whether at the stated maturity thereof, or upon proceedings for redemption or as required by the sinking fund provisions hereof or otherwise.

(b) Default in the payment of any installment of interest on any Bond when the same shall become due and payable.

(c) Any “Event of Default” under the Loan Agreement or Master Indenture.

(d) Failure by the Issuer in the performance or observance of any other of the covenants, agreements or conditions in its part in this Bond Indenture or in the Bonds contained, which failure shall continue for a period of 60 days after written notice specifying such failure and requesting that it be remedied, is given to the Issuer and the Obligor by the Bond Trustee or to the Issuer, the Obligor and to the Bond Trustee by the Owners of not less than 25% in aggregate principal amount of the Bonds then Outstanding; provided that such failure is the result of the failure of the Obligor to perform its obligations under the Agreement.

Section 8.02. Remedies on Events of Default. Upon the occurrence of an Event of Default, the Bond Trustee shall have the following rights and remedies:

(a) The Bond Trustee may, and upon direction from the Majority Holders shall, declare the principal amount of all Bonds then Outstanding and the unpaid interest accrued thereon to be immediately due and payable and said principal and interest shall thereupon become immediately due and payable. Upon any declaration of acceleration hereunder, the Bond Trustee shall give notice to the Bondholders in the same manner as a notice of redemption under Article V hereof, stating the date upon which the Bonds shall be payable.

The provisions of the preceding paragraph, however, are subject to the condition that if, after the payment of the principal of, and accrued and unpaid interest on, the Bonds has been declared due and payable immediately, the declaration of the acceleration of the Bonds may be annulled by direction of the Majority Holders, if any default other than the payment of amounts due, and the Bond Trustee shall promptly give written notice of such annulment to the Issuer and the Obligor and notice to Bondholders in the same manner as a notice of redemption under Article V hereof; but no such annulment shall extend to or affect any subsequent Event of Default or impair any right or remedy consequent thereon.

At any time after such a declaration of acceleration has been made the Majority Holders, by written notice to the Bond Trustee, may rescind and annul such declaration and its consequences if (i) the Obligor has paid or deposited with the Bond Trustee a sum sufficient to pay (A) all overdue installments of interest on all Bonds, (B) the principal of (and premium, if any, on) any Bonds which have become due otherwise than by such declaration of acceleration and interest thereon at the rate borne by the Bonds, and (C) all sums paid or advanced by the Bond Trustee hereunder and the reasonable compensation, expenses, disbursements and advances of the Bond Trustee, its agents and counsel; and (ii) all Events of Default, other than the non payment of the principal of Bonds which have become due solely by such acceleration, have been cured or waived as provided in this Article.

(b) The Bond Trustee may, by mandamus, or other suit, action or proceeding at law or in equity, enforce the rights of the Bondholders, and require the Issuer or the Obligor or both of them to carry out the agreements with or for the benefit of the Bondholders and to perform its or their duties under the Act, the Agreement and this Bond Indenture.

(c) The Bond Trustee may, by action or suit in equity, require the Issuer to account as if it were the trustee of an express trust for the Bondholders but any such judgment against the Issuer shall be enforceable only against the Funds (excluding the Rebate Fund) and Accounts hereunder in the hands of the Bond Trustee.

(d) The Bond Trustee may, by action or suit in equity, enjoin any acts or things which may be unlawful or in violation of the rights of the Bondholders.

(e) The Bond Trustee may, upon the filing of a suit or other commencement of judicial proceedings to enforce the rights of the Bond Trustee and the Bondholders, have appointed a receiver or receivers of the Trust Estate upon a showing of good cause with such powers as the court making such appointment may confer.

No right or remedy is intended to be exclusive of any other right or remedy, but each and every such right or remedy shall be cumulative and in addition to any other remedy given hereunder or now or hereafter existing at law or in equity or by statute.

If any Event of Default shall have occurred and if requested by the Owners of at least 25% in aggregate principal amount of Bonds then Outstanding and indemnified as provided in Section 9.01(m) hereof (except the remedy under Section 8.02(a) above, for which no indemnity may be required), the Bond Trustee shall be obligated to exercise such one or more of the rights and powers conferred by this Section as it, being advised by counsel, shall deem most expedient in the interests of such Bondholders. In the event the Bond Trustee shall receive inconsistent or conflicting requests and indemnity from two or more groups of Owners of Outstanding Bonds, each representing less than a majority of the aggregate principal amount of the Outstanding Bonds, the Bond Trustee, in its sole discretion, may determine what action, if any, shall be taken.

Section 8.03. Majority of Bondholders May Control Proceedings. Anything in this Bond Indenture to the contrary notwithstanding the Majority Holders shall have the right, at any time, to the extent permitted by law, by an instrument or instruments in writing executed and delivered to the Bond Trustee, to direct the time, method, and place of conducting all proceedings, to be taken in connection with the enforcement of the terms and conditions of this Bond Indenture, or for the appointment of a receiver, and any other proceedings hereunder; provided that such direction shall not be otherwise than in accordance with the provisions hereof and provided, further, that notwithstanding anything to the contrary in this Bond Indenture, the Issuer shall have the sole ability to direct the method and place of conducting all proceedings to be taken in connection with the enforcement of Section 4.10 of the Agreement. The Bond Trustee shall not be required to act on any direction given to it pursuant to this Section until indemnity as set forth in Section 9.01(m) hereof is provided to it by such Bondholders.

Section 8.04. Rights and Remedies of Bondholders. No Owner of any Bond shall have any right to institute any suit, action, or proceeding in equity or at law for the enforcement of this Bond Indenture or for the execution of any trust hereof or for the appointment of a receiver or any other applicable remedy hereunder, unless a default has occurred of which the Bond Trustee has been notified as provided in Section 9.01 hereof, or of which by said Section it is deemed to have notice, nor unless such default shall have become an Event of Default and the Majority Holders shall have made written

request to the Bond Trustee and shall have offered reasonable opportunity either to proceed to exercise the powers hereinbefore granted or to institute such action, suit, or proceeding in their own name, nor unless they have also furnished to the Bond Trustee indemnity as provided in Section 9.01(m) hereof, nor unless the Bond Trustee shall thereafter fail or refuse to exercise the powers hereinbefore granted, or to institute such action, suit, or proceeding in its own name; and such notification, request, and furnishing of indemnity are hereby declared in every case at the option of the Bond Trustee to be conditions precedent to the execution of the powers and trusts of this Bond Indenture, and to any action or cause of action for the enforcement of this Bond Indenture, or for the appointment of a receiver or for any other remedy hereunder; it being understood and intended that no one or more Owners of the Bonds shall have the right in any manner whatsoever to affect, disturb, or prejudice the lien of this Bond Indenture by his, her, its, or their action or to enforce any right hereunder except in the manner herein provided and that all proceedings at law or in equity shall be instituted, had, and maintained in the manner herein provided and for the equal benefit of the Owners of all Bonds then Outstanding. Nothing in this Bond Indenture contained shall, however, affect or impair the right of any Owner of Bonds to enforce the payment of the principal of, premium, if any, or interest on any Bond at and after the maturity thereof, or the obligation of the Issuer to pay the principal of, premium, if any, and interest on each of the Bonds to the respective Owners of the Bonds at the time and place, from the source and in the manner herein, and in the Bonds expressed.

Section 8.05. Application of Moneys. (a) Subject to the provisions of subparagraph (c) hereof, all moneys received by the Bond Trustee pursuant to any right given or action taken under the provisions of this Article and all moneys held under this Indenture shall (after payment of the fees and expenses of the Bond Trustee and after payment of the costs and expenses of the proceedings resulting in the collection of such moneys and the expenses, liabilities, and advances incurred or made by the Bond Trustee) be applied as follows:

(i) Unless the principal of all of the Bonds shall have become due or shall have been declared due and payable, all such moneys shall be applied:

First: To the payment to the Persons entitled thereto of all installments of interest then due on the Senior Bonds in the order of the maturity of the installments of such interest and, if the amount available shall not be sufficient to pay in full any particular installment, then to the payment ratably, according to the amounts due on such installment, to the Persons entitled thereto, without any discrimination or privilege; and

Second: To the payment to the Persons entitled thereto of the unpaid principal of any of the Senior Bonds which shall have become due (other than Senior Bonds called for redemption for the payment of which moneys are held pursuant to the provisions of this Bond Indenture), in the order of their due dates, with interest on such Senior Bonds from the respective dates upon which they become due at the rate of interest borne by such Bonds and, if the amount available shall not be sufficient to pay in full Senior Bonds due on any particular date, together with such interest, then to the payment of principal and interest ratably, according to the amount of principal due on such date, to the Persons entitled thereto, without any discrimination or privilege.

Third: To the payment to the Persons entitled thereto of all installments of interest then due on the Subordinate Bonds in the order of the maturity of the installments of such interest and, if the amount available shall not be sufficient to pay in full any particular installment, then to the payment ratably, according to the amounts due on such installment, to the Persons entitled thereto, without any discrimination or privilege; and

Fourth: To the payment to the Persons entitled thereto of the unpaid principal of any of the Subordinate Bonds which shall have become due (other than Subordinate Bonds called for redemption for the payment of which moneys are held pursuant to the provisions of this Bond Indenture), in the order of their due dates, with interest on such Subordinate Bonds from the respective dates upon which they become due at the rate of interest borne by such Bonds and, if the amount available shall not be sufficient to pay in full Subordinate Bonds due on any particular date, together with such interest, then to the payment of principal and interest ratably, according to the amount of principal due on such date, to the Persons entitled thereto, without any discrimination or privilege.

(ii) If the principal of all the Bonds shall have become due or shall have been declared due and payable, all such moneys shall be applied

First: to the payment of the principal and interest then due and unpaid upon all of the Senior Bonds (together with interest on overdue installments of principal at the rate of interest borne by each Senior Bond), without preference or priority of principal over interest, any other installment of interest, or of any Senior Bond over any other Senior Bond, or of any series of Senior Bonds over any other series of Senior Bonds ratably, according to the amounts due respectively for principal and interest, to the Persons entitled thereto without any discrimination or privilege.

Second: to the payment of the principal and interest then due and unpaid upon all of the Subordinate Bonds (together with interest on overdue installments of principal at the rate of interest borne by each Subordinate Bond), without preference or priority of principal over interest, any other installment of interest, or of any Subordinate Bond over any other Subordinate Bond, or of any series of Subordinate Bonds over any other series of Subordinate Bonds ratably, according to the amounts due respectively for principal and interest, to the Persons entitled thereto without any discrimination or privilege.

(iii) If the principal of all the Bonds shall have been declared due and payable, and if such declaration shall thereafter have been rescinded and annulled under the provisions of this Article then, subject to the provisions of paragraph (ii) of this Section in the event that the principal of all the Bonds shall later become due or be declared due and payable, the moneys shall be applied in accordance with the provisions of the foregoing paragraph (i) of this Section.

(b) Whenever moneys are to be applied pursuant to the provisions of this Section, such moneys shall be applied at such times, and from time to time, as the Bond Trustee shall determine, having due regard to the amount of such moneys available for application and the likelihood of additional moneys becoming available for such application in the future. Whenever the Bond Trustee shall apply such moneys, it shall fix the date (which shall be an Interest Payment Date unless it shall deem another date more suitable) upon which such application is to be made and upon such date interest on the amounts of principal to be paid on such date shall cease to accrue. The Bond Trustee shall give such notice as it may deem appropriate of the deposit of any such moneys and of the fixing of any such date, and shall not be required to make payment to the Owner of any unpaid Bond until such unpaid Bond shall be presented to the Bond Trustee for appropriate endorsement or for cancellation if fully paid.

Section 8.06. Bond Trustee May Enforce Rights Without Bonds. All rights of action and claims under this Bond Indenture or any of the Bonds Outstanding hereunder may be enforced by the Bond Trustee without the possession of any of the Bonds or the production thereof in any trial or proceedings relative thereto; and any suit or proceeding instituted by the Bond Trustee shall be brought in its name as Bond Trustee, without the necessity of joining as plaintiffs or defendants any Owners of the

Bonds and any recovery of judgment shall be for the ratable benefit of the Owners of the Bonds, subject to the provisions of this Bond Indenture.

Section 8.07. Bond Trustee to File Proofs of Claim in Receivership, Etc. In the case of any receivership, insolvency, bankruptcy, reorganization, arrangement, adjustment, composition, or other judicial proceedings affecting the Obligor, the Bond Trustee shall, to the extent permitted by law, be entitled to file such proofs of claims and other documents as may be necessary or advisable in order to have claims of the Bond Trustee and of the Bondholders allowed in such proceedings for the entire amount due and payable by the Issuer under this Bond Indenture or by the Obligor at the date of the institution of such proceedings and for any additional amounts which may become due and payable by it after such date, without prejudice, however, to the right of any Bondholder to file a claim in his, her or its own behalf.

No provision of this Bond Indenture empowers the Bond Trustee to authorize, consent to, accept or adopt on behalf of any Bondholder any plan or reorganization, arrangement, adjustment or composition affecting any of the rights of any Bondholders, or authorizes the Bond Trustee to vote in respect of the claim in any proceeding described in this Section.

In the event the Bond Trustee incurs expenses or renders services in any proceedings affecting the Obligor and described in this Section, the expenses so incurred and compensation for services so rendered are intended to constitute expenses of administration under the United States Bankruptcy Code or equivalent law.

Section 8.08. Delay or Omission No Waiver. No delay or omission of the Bond Trustee or of any Bondholder to exercise any right or power accruing upon any default or Event of Default shall exhaust or impair any such right or power or shall be construed to be a waiver of any such default or Event of Default, or acquiescence therein; and every power and remedy given by this Bond Indenture may be exercised from time to time and as often as may be deemed expedient.

Section 8.09. Discontinuance of Proceedings on Default, Position of Parties Restored. In case the Bond Trustee shall have proceeded to enforce any right under this Bond Indenture, and such proceedings shall have been discontinued or abandoned for any reason or shall have been determined adversely to the Bond Trustee, then and in every such case the Issuer and the Bond Trustee shall be restored to their former positions and rights hereunder with respect to the Trust Estate, and all rights, remedies, and powers of the Bond Trustee shall continue as if no such proceedings had been taken.

Section 8.10. Enforcement of Rights. The Bond Trustee, as pledgee and assignee for security purposes of all the right, title, and interest of the Issuer in and to the Agreement (except those rights under Section 5.7, 7.5, 7.9, and 9.5 thereof) and the Note or Notes shall, upon compliance with applicable requirements of law and except as otherwise set forth in this Article VIII, be the sole real party in interest in respect of, and shall have standing, exclusive of the Owners of Bonds to enforce each and every right granted to the Issuer under the Agreement and under the Note or Notes. The Issuer and the Bond Trustee hereby agree, without in any way limiting the effect and scope thereof, that the pledge and assignment hereunder to the Bond Trustee of any and all rights of the Issuer in and to the Note or Notes and the Agreement shall constitute an agency appointment coupled with an interest on the part of the Bond Trustee which, for all purposes of this Bond Indenture, shall be irrevocable and shall survive and continue in full force and effect notwithstanding the bankruptcy or insolvency of the Issuer or its default hereunder or on the Bonds. Subject to Section 9.01 hereof, in exercising such right and the rights given the Bond Trustee under this Article VIII, the Bond Trustee shall take such action as, in the judgment of the Bond Trustee, would best serve the interests of the Bondholders, taking into account the provisions of the Master Indenture, together with the security and remedies afforded to Owners of the Note.

Section 8.11. Undertaking for Costs. All parties to this Indenture agree, and each Owner of any Bond by his, her or its acceptance thereof shall be deemed to have agreed, that any court may in its discretion require, in any suit for the enforcement of any right or remedy under this Bond Indenture, or in any suit against the Bond Trustee for any action taken or omitted by it as Bond Trustee, the filing by any party litigant in such suit of an undertaking to pay the costs of such suit, and that such court may in its discretion assess reasonable costs, including reasonable attorneys' fees, against any party litigant in such suit, having due regard to the merits and good faith of the claims or defenses made by such party litigant; but the provisions of this Section shall not apply to any suit instituted by the Bond Trustee, to any suit instituted by any Bondholder, or group of Bondholders, holding in aggregate more than 10% in aggregate principal amount of the then Outstanding Bonds, or to any suit instituted by a Bondholder for the enforcement of the payment of the principal of (or premium, if any) or interest on any Bond on or after the respective maturities thereof expressed in such Bond (or, in the case of redemption, on or after the redemption date).

Section 8.12. Waiver of Events of Default. The Bond Trustee may in its discretion waive any Event of Default hereunder and its consequences, and shall do so upon the written request of the Owners of a majority in aggregate principal amount of the Bonds then Outstanding; provided, however, that the Bond Trustee may not waive an Event of Default described in subparagraph (a) or (b) of Section 8.01 hereof without the written consent of the Registered Owners of all Bonds then Outstanding; and provided, further, that notwithstanding anything to the contrary in this Bond Indenture, the Issuer shall have the sole ability to waive any Event of Default in connection with the covenants and obligations of the Obligor under Section 4.9 of the Agreement.

ARTICLE IX

CONCERNING THE BOND TRUSTEE AND PAYING AGENTS

Section 9.01. Duties of the Bond Trustee. The Bond Trustee hereby accepts the trust imposed upon it by this Bond Indenture and agrees to perform said trusts, but only upon and subject to the following express terms and conditions, and no implied covenants or obligations shall be read into this Bond Indenture against the Bond Trustee:

(a) The Bond Trustee, prior to the occurrence of an Event of Default and after the curing of all Events of Default which may have occurred, undertakes to perform such duties and only such duties as are specifically set forth in this Bond Indenture and no others, and no implied covenants or obligations shall be read into this Bond Indenture against the Bond Trustee. In case an Event of Default has occurred (which has not been cured) the Bond Trustee shall exercise such of the rights and powers vested in it by this Bond Indenture and use the same degree of care and skill in its exercise as a prudent person would exercise or use under the circumstances in the conduct of his or her own affairs.

(b) The Bond Trustee may execute any of the trusts or powers hereof and perform any of its duties hereunder, either directly or by or through attorneys, agents, receivers, or employees, and the Bond Trustee shall not be responsible for any misconduct or negligence on the part of any receiver, agent or attorney appointed with due care by it hereunder, and shall be entitled to consult with counsel and act upon an Opinion of Counsel concerning all matters of trust hereof and the duties hereunder, and may in all cases pay such reasonable compensation to all such attorneys, agents, receivers, and employees as may reasonably be employed in connection with the trust hereof (provided that the Bond Trustee shall not be obligated to advance or pay any of such amounts from its own funds). The Bond Trustee may act upon an Opinion of Counsel and shall not be responsible for any loss or damage resulting from any action or nonaction taken by or omitted to be taken in good faith in reliance upon such Opinion of Counsel.

(c) The Bond Trustee shall not be responsible for any recital herein or in the Bonds (except in respect to the certificate of authentication by the Bond Trustee endorsed on the Bonds and the acceptance of the trusts hereunder).

(d) The Bond Trustee shall not be accountable for the use of any Bonds authenticated or delivered hereunder or the proceeds thereof, or for any moneys disbursed by the Bond Trustee in accordance with this Bond Indenture. The Bond Trustee makes no representations as to the validity or sufficiency of this Bond Indenture or the Bonds. The Bond Trustee is not a party to, is not responsible for, and makes no representations with respect to matters set forth in any preliminary or final official statement, or similar document prepared and distributed in connection with the sale of the Bonds. The Bond Trustee may become the owner of the Bonds with the same rights which it would have if not Bond Trustee.

(e) The Bond Trustee shall be protected in acting upon any notice, request, consent, certificate, order, affidavit, letter, telegram, teletransmission or other paper or document reasonably believed to be genuine and correct and to have been signed or sent by the proper person or persons. Any request or direction of the Issuer or the Obligor mentioned herein shall be sufficiently evidenced by a written request, order, or consent signed in the name of the Issuer or Obligor, by the Issuer Representative or an Authorized Representative of the Obligor, as the case may be. Any action taken by the Bond Trustee pursuant to this Bond Indenture upon the request or authority or consent of any person who at the time of making such request or giving such authority or consent is the Owner of any Bonds shall be conclusive and binding upon all future Owners of the same Bond and upon Bonds issued in place thereof.

(f) As to the existence or nonexistence of any fact or matter or as to the sufficiency or validity of any instrument, paper, or proceeding, the Bond Trustee shall be entitled to rely and shall be protected in acting or refraining to act upon a certificate signed on behalf of the Issuer or the Obligor by the Issuer Representative or an Authorized Representative of the Obligor or such other Person as may be designated for such purpose by Certified Resolution as sufficient evidence of the facts therein contained, and prior to the occurrence of a default of which the Bond Trustee has been notified as provided in subsection (h) of this Section, or of which by said subsection it is deemed to have notice, shall also be at liberty to accept a similar certificate to the effect that any particular dealing, transaction, or action is necessary or expedient, but may at its discretion secure such further evidence deemed necessary or advisable, but shall in no case be bound to secure the same.

(g) The permissive right of the Bond Trustee to do things enumerated in this Bond Indenture shall not be construed as a duty (except as otherwise herein provided) and the Bond Trustee shall not be answerable for other than its own gross negligence or willful misconduct, except that:

(1) the Bond Trustee shall not be liable for any error of judgment made in good faith by a Responsible Officer, unless it shall be proved that the Bond Trustee was negligent in ascertaining the pertinent facts;

(2) the Bond Trustee shall not be liable with respect to any action taken or omitted to be taken by it in good faith in accordance with the direction of the Majority Holders relating to the time, method, and place of conducting any proceeding for any remedy available to the Bond Trustee, or exercising any trust or power conferred upon the Bond Trustee, under this Bond Indenture; and

(3) the Bond Trustee shall not be liable if the Bond Trustee reasonably relies in good faith upon a certificate of the Obligor delivered pursuant to this Bond Indenture or an Opinion of Counsel.

(h) The Bond Trustee shall not be required to take notice or be deemed to have notice of any default hereunder except failure by the Issuer to cause to be made any of the payments to the Bond Trustee required to be made by Article III hereof unless the Bond Trustee shall be specifically notified in writing of such default by the Issuer or by the Owners of at least a majority in aggregate principal amount of Bonds then Outstanding and all notices or other instruments required by this Bond Indenture to be delivered to the Bond Trustee, must, in order to be effective, be delivered to a Responsible Officer at the designated corporate trust office of the Bond Trustee, and in the absence of such notice so delivered, the Bond Trustee may conclusively assume there is no default except as aforesaid.

(i) All moneys received by the Bond Trustee shall, until used or applied or invested as herein provided, be held in trust in the manner and for the purposes for which they were received, but need not be segregated from other funds except to the extent required by this Bond Indenture or law.

(j) At any and all reasonable times the Bond Trustee and its duly authorized agents, attorneys, experts, engineers, accountants, and representatives shall have the right, but shall not be required, to inspect the Series 2021 Project, including all books, papers, and records of the Issuer and the Obligor pertaining to the Series 2021 Project and the Bonds.

(k) The Bond Trustee shall not be required to give any bond or surety in respect of the execution of the said trusts and powers or otherwise in respect of the premises, and no provision of this Bond Indenture shall require the Bond Trustee to expend or risk its own funds or otherwise incur any

financial liability in the performance of any of its duties hereunder, or in the exercise of any of its rights or powers.

(l) Notwithstanding anything in this Bond Indenture contained, the Bond Trustee shall have the right, but shall not be required, to demand in respect of the authentication of any Bonds, the withdrawal of any cash, or any action whatsoever within the purview of this Bond Indenture, any showings, certificates, opinion, appraisals, or other information, or corporate action or evidence thereof, in addition to that by the terms hereof required, as a condition of such action by the Bond Trustee deemed desirable for the purpose of establishing the right of the Issuer to the authentication of any Bonds, the withdrawal of any cash, or the taking of any other action by the Bond Trustee.

(m) Before taking any action under this Section or Article VIII hereof, the Bond Trustee may require that indemnity reasonably satisfactory to it be furnished to it for the reimbursement of its fees, costs, liabilities and all expenses (including attorneys fees) which it may incur and to protect it against all liability, except liability which may result from its negligence or willful misconduct, by reason of any action so taken.

(n) Except as provided in Section 9.01(a) above, it shall not be the duty of the Bond Trustee, except as expressly provided herein, to see that any duties or obligations imposed herein or in the Agreement upon the Issuer, the Obligor, or other Persons are performed, and the Bond Trustee shall not be liable or responsible because of the failure of the Issuer, the Obligor, or other Persons to perform any act required of them pursuant to the terms of this Bond Indenture.

(o) In acting or omitting to act pursuant to the provisions of the Agreement, the Bond Trustee shall be entitled to and be protected by the rights and immunities accorded to it by the terms of this Bond Indenture.

(p) In the event the Bond Trustee receives inconsistent or conflicting requests and indemnity from two or more groups of holders of Bonds, each representing less than a majority in aggregate principal amount of the Bonds Outstanding, the Bond Trustee, in its sole discretion, may determine what action, if any, shall be taken.

(q) The Bond Trustee's immunities and protections from liability in connection with the performance of its duties under this Bond Indenture shall extend to the Bond Trustee's officers, directors, agents and employees. Such immunities and protections, together with the Bond Trustee's right to compensation, shall survive the Bond Trustee's resignation or removal and final payment of the Bonds.

(r) In no event shall the Bond Trustee be responsible or liable for special, indirect, punitive or consequential loss or damage of any kind whatsoever (including, but not limited to, loss of profit) irrespective of whether the Bond Trustee has been advised of the likelihood of such loss or damage and regardless of the form of action.

Section 9.02. Fees and Expenses of Bond Trustee and Paying Agent. The Issuer agrees, but solely from any funds received from the Obligor pursuant to the Agreement,

(a) to pay to the Bond Trustee, each Paying Agent and all other agents their reasonable and necessary fees for services rendered hereunder as and when the same become due and all expenses (including attorneys fees) reasonably and necessarily made or incurred by the Bond Trustee, such Paying Agent or such other agent in connection with such services as and when the same become due as provided in Section 3.13 hereof; and

(b) to reimburse the Bond Trustee upon its request for all reasonable expenses, disbursements, and advances incurred or made by the Bond Trustee in accordance with any provisions of this Bond Indenture (including the reasonable compensation, expenses, and disbursements of its agents and counsel), except any such expense, disbursement, or advance as may be attributable to the gross negligence or bad faith of the Bond Trustee.

As security for the performance of the obligations of the Issuer under this Section, the Bond Trustee shall be secured under this Bond Indenture by a lien prior to the Bonds, and for the payment of the expenses and reimbursements due hereunder, the Bond Trustee shall have the right to use and apply any trust funds held by it hereunder.

Section 9.03. Resignation or Replacement of Bond Trustee. The present or any future Bond Trustee may resign by giving to the Issuer, the Obligor and each Bondholder thirty days' notice of such resignation. Such resignation shall not be effective until such time as a successor Bond Trustee shall have accepted its appointment. The present or any future Bond Trustee may be removed (a) at any time upon at least thirty days' notice by an instrument in writing executed by the Owners of at least a majority in aggregate principal amount of Bonds then Outstanding or (b) if an Event of Default hereunder has not occurred and is continuing, by an instrument in writing executed by the Obligor.

In case the present or any future Bond Trustee shall at any time resign or be removed or otherwise become incapable of acting, a successor may be appointed by the Owners of at least a majority in aggregate principal amount of the Bonds then Outstanding by an instrument or concurrent instruments signed by such Bondholders, or their attorneys in fact duly appointed; provided that the Issuer may, by an instrument executed by order of the Board of Directors, appoint a successor until a new successor shall be appointed by the Bondholders as herein authorized. The Issuer upon making such appointment shall forthwith give notice thereof to each Bondholder and to the Obligor, which notice may be given concurrently with the notice of resignation given by any resigning Bond Trustee. Any successor so appointed by the Issuer shall immediately and without further act be superceded by a successor appointed in the manner above provided by the Owners of at least a majority in aggregate principal amount of the Bonds then Outstanding. In the event that the Issuer does not so act within thirty days after notice of resignation, the Bond Trustee shall have the right to petition a court of competent jurisdiction to appoint a successor Bond Trustee.

Every successor Bond Trustee shall always be a bank, banking corporation or trust company duly organized under the laws of the United States of America or any state or territory thereof, with trust powers in good standing, qualified to act hereunder, and having a combined capital and surplus of not less than \$50,000,000. Any successor appointed hereunder shall execute, acknowledge, and deliver to the Issuer and the predecessor Bond Trustee an instrument accepting such appointment hereunder and thereupon such successor shall, without any further act, deed, or conveyance, become vested with all the estates, properties, rights, powers, and trusts of its predecessor in the trust hereunder with like effect as if originally named as Bond Trustee herein; but the Bond Trustee retiring shall, nevertheless, on the written demand of its successor, execute and deliver an instrument conveying and transferring to such successor, upon the trusts herein expressed, all the estates, properties, rights, powers, and trusts of the predecessor, who shall, upon payment of the expenses, charges and other disbursements which are due and owing to it pursuant to Sections 3.13 and 9.02 hereof, duly assign, transfer and deliver to the successor all properties and moneys held by it under this Bond Indenture. Should any instrument in writing from the Issuer be required by any successor for more fully and certainly vesting in and confirming to it all of such estates, properties, rights, powers, and trusts, the Issuer shall, on request of such successor, make, execute, acknowledge, and deliver the deeds, conveyances, and necessary instruments in writing.

The notices herein provided for shall be given by mailing a copy thereof to the Obligor and the Registered Owners of the Bonds at their addresses as the same shall last appear on the registration books. The instruments evidencing the resignation or removal of the Bond Trustee and the appointment of a successor hereunder, together with all other instruments provided for in this Section shall be filed and/or recorded by the successor Bond Trustee in each recording office where this Bond Indenture shall have been filed and/or recorded.

Section 9.04. Conversion, Consolidation or Merger of Bond Trustee. Any bank, banking corporation or trust company into which the Bond Trustee merges or is consolidated, or to which it (or a receiver on its behalf) may sell or transfer its corporate trust business as a whole, or substantially as a whole, shall be the successor of the Bond Trustee under this Bond Indenture with the same rights, powers, duties, and obligations and subject to the same restrictions, limitations, and liabilities as its predecessor, all without the execution or filing of any papers or any further act on the part of any of the parties hereto, anything herein to the contrary notwithstanding. In case any of the Bonds to be issued hereunder shall have been authenticated, but not delivered, any successor Bond Trustee may adopt the certificate of any predecessor Bond Trustee, and deliver the same as authenticated; and, in case any of such Bonds shall not have been authenticated, any successor Bond Trustee may authenticate such Bonds in the name of such successor Bond Trustee.

Section 9.05. Designation and Succession of Paying Agent. The Bond Trustee and any other banks or trust companies, if any, designated as Paying Agent or Paying Agents in any supplemental indenture providing for the issuance of Additional Bonds, shall be the Paying Agent or Paying Agents for the Bonds.

Any bank or trust company with or into which any Paying Agent may be merged or consolidated, or to which the assets and business of such Paying Agent may be sold, shall be deemed the successor of such Paying Agent for the purposes of this Bond Indenture. If the position of Paying Agent shall become vacant for any reason, the Issuer shall, within thirty days thereafter, appoint such bank or trust company as shall be specified by the Obligor and located in the same city as such Paying Agent to fill such vacancy; provided, however, that if the Issuer shall fail to appoint such Paying Agent within said period, the Obligor shall make such appointment.

The Paying Agents, if any, shall enjoy the same protective provisions in the performance of their duties hereunder as are specified in Section 9.01 hereof with respect to the Bond Trustee insofar as such provisions may be applicable.

Section 9.06. Voting Rights with Respect to Notes; Direction to Bond Trustee with respect to Series 2021 Notes. (a) The Issuer hereby assigns and grants to the Bond Trustee, and the Bond Trustee shall, exercise for the benefit of the Bondholders, the power to execute all waivers, directions, consents, instructions, approvals, and other exercises of the voting rights of a holder and owner of any Note, which power shall be irrevocable so long as such Note shall be pledged hereunder. The Bond Trustee shall exercise such power with respect to any Note when and as, but only when and as, directed to do so by written direction of the Owners of a majority in aggregate principal amount of the then Outstanding Bonds of the related series.

(b) The Bond Trustee, in its capacity as the holder of the Series 2021 Notes, is hereby directed to consent to the execution and delivery of the Supplemental Indenture by the Master Trustee and to approve the amendments of the provisions of the Master Indenture contained therein.

ARTICLE X

SUPPLEMENTAL INDENTURES AND AMENDMENTS TO THE AGREEMENT

Section 10.01. Supplemental Indentures Not Requiring Consent of Bondholders. The Issuer and the Bond Trustee may, without the consent of, or notice to, the Bondholders, enter into such indentures or agreements supplemental hereto (which supplemental indentures or agreements shall thereafter form a part hereof) for any one or more or all of the following purposes:

- (a) To add to the covenants and agreements in this Bond Indenture contained other covenants and agreements thereafter to be observed for the protection or benefit of the Bondholders.
- (b) To cure any ambiguity, or to cure, correct, or supplement any defect or inconsistent provision contained in this Bond Indenture.
- (c) To subject to this Bond Indenture additional revenues, properties, or collateral.
- (d) To qualify this Bond Indenture under the Trust Indenture Act of 1939, if such be hereafter required in the Opinion of Counsel.
- (e) To set forth the terms and conditions of Additional Bonds issued pursuant to Sections 2.09 and 2.10 hereof.
- (f) To satisfy any requirements imposed by a Rating Agency if necessary to maintain the then current rating on the Bonds.
- (g) To maintain the extent to which the interest on the Bonds is not includable in the gross income of the recipients thereof, if in the Opinion of Bond Counsel such supplemental indenture or agreement is necessary.

Section 10.02. Supplemental Indentures Requiring Consent of Bondholders. Exclusive of supplemental indentures covered by Section 10.01 hereof, the Owners of not less than a majority in aggregate principal amount of the Senior Bonds then Outstanding and the Owners of not less than a majority in aggregate principal amount of the Subordinate Bonds then Outstanding, each as a separate class, thereby shall have the right, from time to time, to consent to and approve the execution by the Issuer and the Bond Trustee of such indenture or indentures supplemental hereto as shall be deemed necessary or desirable by the Issuer for the purpose of modifying, altering, amending, adding to, or rescinding, in any particular, any of the terms or provisions contained in this Bond Indenture; provided, however, that without the consent of the Owners of all the Bonds at the time Outstanding nothing herein contained shall permit, or be construed as permitting any of the following:

- (a) An extension of the maturity of, or a reduction of the principal amount of, or a reduction of the rate of, or extension of the time of payment of interest on, or a reduction of a premium payable upon any redemption of, any Bond.
- (b) The deprivation of the Owner of any Bond then Outstanding of the lien created by this Bond Indenture (other than as originally permitted hereby).
- (c) A privilege or priority of any Senior Bond or Senior Bonds, over any other Senior Bond or a privilege or priority of any Subordinate Bond or Subordinate Bonds, over any other Subordinate Bond.

(d) A reduction in the aggregate principal amount of the Bonds required for consent to any supplemental indenture.

Upon the execution of any supplemental indenture pursuant to the provisions of this Section, this Bond Indenture shall be deemed to be modified and amended in accordance therewith, and the respective rights, duties, and obligations under this Bond Indenture of the Issuer, the Bond Trustee and all Owners of Bonds then Outstanding shall thereafter be determined, exercised, and enforced hereunder, subject in all respects to such modifications and amendments.

If at any time the Issuer shall request the Bond Trustee to enter into such supplemental indenture for any of the purposes of this Section, the Bond Trustee shall, upon being satisfactorily indemnified with respect to costs, fees and expenses (including attorneys fees), cause notice of the proposed execution of such supplemental indenture to be mailed to the Registered Owners of the Bonds at their addresses as the same last appear on the registration books. Such notice shall briefly set forth the nature of the proposed supplemental indenture and shall state that copies thereof are on file at the designated corporate trust office of the Bond Trustee for inspection by all Bondholders. If, within sixty days or such longer period as shall be prescribed by the Issuer following the giving of such notice, the Owners of the requisite percentage of Bonds at the time of the execution of any such supplemental indenture shall have consented to and approved the execution thereof as herein provided, no Owner of any Bond shall have any right to object to any of the terms and provisions contained therein, or the operation thereof, or in any manner to question the propriety of the execution thereof, or to enjoin or restrain the Bond Trustee or the Issuer from executing the same or from taking any action pursuant to the provisions thereof.

Section 10.03. Execution of Supplemental Indenture. The Bond Trustee is authorized to join with the Issuer in the execution of any such supplemental indenture and to make further agreements and stipulations which may be contained therein, but the Bond Trustee shall not be obligated to enter into any such supplemental indenture which affects its rights, duties, or immunities under this Bond Indenture. The Bond Trustee shall receive, and shall be fully protected in conclusively relying upon, an Opinion of Counsel stating that the execution and delivery of a supplemental indenture is authorized or permitted by this Bond Indenture and has been effected in compliance with the provisions hereof. In connection with a supplemental indenture entered into pursuant to Section 10.01(b) hereof, the Bond Trustee shall receive an Opinion of Counsel as conclusive evidence as to whether the Bondholders would be so affected by any such modification or amendment to this Bond Indenture, and such Opinion of Counsel shall be binding and conclusive upon the Issuer, the Obligor, and Bondholders.

Any supplemental indenture executed in accordance with the provisions of this Article shall thereafter form a part of this Bond Indenture; and all the terms and conditions contained in any such supplemental indenture as to any provision authorized to be contained therein shall be deemed to be part of this Bond Indenture for any and all purposes. In case of the execution and delivery of any supplemental indenture, express reference may be made thereto in the text of the Bonds issued thereafter, if any, if deemed necessary or desirable by the Bond Trustee.

Section 10.04. Consent of Obligor. Anything herein to the contrary notwithstanding, a supplemental indenture under this Article shall not become effective unless and until the Obligor shall have consented in writing to the execution and delivery of such supplemental indenture unless the Obligor is in default under the Agreement or an Event of Default described under Section 8.01(a), (b) or (c) hereunder has occurred and is continuing, in which case no consent of the Obligor shall be required. The Bond Trustee shall cause notice of the proposed execution of any supplemental indenture together with a copy of the proposed supplemental indenture to be mailed to the Obligor at least fifteen days prior to the proposed date of execution of such supplemental indenture.

Section 10.05. Amendments, Etc., of the Agreement Not Requiring Consent of Bondholders. The Issuer and the Bond Trustee shall, without the consent of or notice to the Bondholders, consent to any amendment, change, or modification of the Agreement as may be required (i) by the provisions of the Agreement and this Bond Indenture, (ii) for the purpose of curing any ambiguity or formal defect or omission, (iii) in connection with the issuance of Additional Bonds as herein provided, (iv) to satisfy any requirements imposed by a Rating Agency if necessary to maintain the then current rating on the Bonds, and (v) to maintain the extent to which the interest on the Bonds is not includable in the gross income of the recipients thereof, if in the Opinion of Bond Counsel such amendment is necessary.

Section 10.06. Amendments, Etc., of the Agreement Requiring Consent of Bondholders. Except for the amendments, changes, or modifications as provided in Section 10.05 hereof, neither the Issuer nor the Bond Trustee shall consent to any other amendment, change, or modification of the Agreement without the giving of notice to and the written approval or consent of the Owners of not less than a majority in aggregate principal amount of the Senior Bonds then Outstanding and the Owners of not less than a majority in aggregate principal amount of the Subordinate Bonds then Outstanding, each as a separate class, given and procured as provided in Section 10.02 hereof. If at any time the Issuer and the Obligor shall request the consent of the Bond Trustee to any such proposed amendment, change, or modification of the Agreement, the Bond Trustee shall, upon being satisfactorily indemnified with respect to expenses, cause notice of such proposed amendment, change, or modification to be given in the same manner as provided in Section 10.02 hereof. Such notice shall briefly set forth the nature of such proposed amendment, change, or modification and shall state that copies of the instrument embodying the same are on file at the designated corporate trust office of the Bond Trustee for inspection by all Bondholders.

In executing any amendment, change or modification of the Agreement, the Bond Trustee shall receive, and shall be fully protected in relying upon, an Opinion of Counsel stating that the execution and delivery of such amendment, change, modification of the Agreement is authorized or permitted by this Bond Indenture and the Agreement and has been effected in compliance with the provisions of this Bond Indenture and the Agreement. The Bond Trustee may, but shall not be obligated to, enter into any such amendment, change, or modification which affects the Bond Trustee's own rights, duties or immunities. In connection with any amendment, change or modification in connection with Section 10.05(vi), the Bond Trustee shall receive an Opinion of Counsel as conclusive evidence as to whether the Bondholders would be so affected by any such amendment, change, or modification of the Agreement, and such Opinion of Counsel shall be binding and conclusive on the Issuer, the Obligor, and the Bondholders.

ARTICLE XI

MISCELLANEOUS

Section 11.01. Evidence of Signature of Bondholders and Ownership of Bonds. Any request, consent, or other instrument which this Bond Indenture may require or permit to be signed and executed by the Bondholders may be in one or more instruments of similar tenor, and shall be signed or executed by such Bondholders in person or by their attorneys duly appointed in writing. Proof of the execution of any such instrument or of an instrument appointing any such attorney, or of the ownership of Bonds shall be sufficient (except as otherwise herein expressly provided) if made in the following manner, but the Bond Trustee may, nevertheless, in its discretion, require further or other proof in cases where it deems the same desirable:

(a) The fact and date of the execution by any Bondholder or his attorney of such instrument may be proved by the certificate of any officer authorized to take acknowledgments in the jurisdiction in which he purports to act that the person signing such request or other instrument acknowledged to him the execution thereof, or by an affidavit of a witness of such execution, duly sworn to before a notary public.

(b) The ownership of any fully registered Bond and the amount and numbers of such Bonds and the date of holding the same shall be proved by the registration books of the Issuer kept by the Bond Trustee.

Any request or consent of the Owner of any Bond shall bind all future Owners of such Bond in respect of anything done or suffered to be done by the Issuer or the Bond Trustee in accordance therewith.

Section 11.02. No Personal Liability. No recourse under or upon any obligation, covenant or agreement contained in this Bond Indenture, or in any Bond hereby secured, or under any judgment obtained against the Issuer, or by the enforcement of any assessment or by any legal or equitable proceeding by virtue of any constitution or statute or otherwise or under any circumstances, under or independent of this Bond Indenture, shall be had against any officer, director, agent or employee, as such, past, present or future, of any of the Issuer, the Bond Trustee or City of New Hope, Texas, either directly or through the Issuer, or otherwise, for the payment for or to the Issuer or any receiver thereof, or for or to the Owner of any Bond issued hereunder or otherwise of any sum that may be due and unpaid by the Issuer upon any such Bond. Any and all personal liability of every nature, whether at common law or in equity, or by statute or by constitution or otherwise, of any such person to respond by reason of any act or omission on his part or otherwise, for the payment for or to the Issuer or any receiver thereof or for or to the Owner of any Bond issued hereunder or otherwise, of any sum that may remain due and unpaid upon the Bonds hereby secured or any of them, is hereby expressly waived and released as a condition of and consideration for the execution of this Bond Indenture and the issue of such Bonds.

Section 11.03. Limited Obligation. Neither the State of Texas, nor the City of New Hope, Texas, shall in any event be liable for the payment of the principal of, premium, if any, or interest on any of the Bonds issued hereunder. The Bonds are limited obligations of the Issuer payable solely from the revenues, receipts and resources of the Issuer pledged to their payment and not from any other revenues, funds or assets of the Issuer. None of the Bonds of the Issuer issued hereunder shall be construed or constitute an indebtedness of the Issuer or an indebtedness or obligation (special, moral or general) of the State of Texas or City of New Hope, Texas within the meaning of any constitutional or statutory provision whatsoever.

Section 11.04. Parties Interested Herein. With the exception of rights herein expressly conferred on the Obligor, nothing in this Bond Indenture expressed or implied is intended or shall be construed to confer upon, or to give to, any Person other than the Issuer, the Bond Trustee, the Paying Agents, and the Owners of the Bonds, any right, remedy, or claim under or by reason of this Bond Indenture, and any covenants, stipulations, promises, and agreements in this Bond Indenture contained by and on behalf of the Issuer shall be for the sole and exclusive benefit of the Issuer, the Bond Trustee and the Owners of the Bonds.

Section 11.05. Titles, Headings, Etc. The titles and headings of the Articles, Sections, and subdivisions of this Bond Indenture have been inserted for convenience of reference only and shall in no way modify or restrict any of the terms or provisions hereof.

Section 11.06. Severability. In the event any provision of this Bond Indenture shall be held invalid or unenforceable by any court of competent jurisdiction, such holding shall not invalidate or render unenforceable any other provision hereof.

Section 11.07. Governing Law. This Bond Indenture shall be governed and construed in accordance with the laws of the State of Texas.

Section 11.08. Execution of Counterparts. This Bond Indenture may be executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument.

Section 11.09. Notices. Any notice, request or other communication under this Bond Indenture shall be given in writing and shall be deemed to have been given by a party to the other parties at the addresses shown below upon any of the following dates:

- (a) The date of notice by telefax, telecopy, or similar telecommunications, which is confirmed promptly in writing;
- (b) Three Business Days after the date of the mailing thereof, as shown by the post office receipt if mailed to the other party hereto by registered or certified mail;
- (c) The date of the receipt thereof by such other party if not given pursuant to (a) or (b) above.

The address for notice for each of the parties shall be as follows:

Issuer:

New Hope Cultural Education Facilities Finance Corporation
c/o James W. Wilson & Associates, PLLC
103 W. Main Street
Allen, Texas 75013
Telephone: (972) 727-9904
Telecopier No.: (972) 755-0904
Attention: Maria Huynh
Email: mhuynh@jww-law.com

with copy to:

McCall, Parkhurst & Horton L.L.P.
717 North Harwood
9th Floor
Dallas, Texas 75201
Attention: L. E. (Ted) Brizzolara, III
Telephone: (214) 754-9233
Email: tbrizzolara@mphlegal.com

Obligor:

Buckingham Senior Living Community, Inc.
8580 Woodway
Houston, Texas 77063
Attention: Chair
Telephone: (917) 553-5883
Email: mwyse@wyseadvisorssl.com

with a copy to:

Holland & Knight LLP
One Arts Plaza
1772 Routh Street
Suite 1500
Dallas, Texas 75201
Attention: David M. Rosenberg
Telephone: (214) 969-1508
Email: david.rosenberg@hklaw.com

Bond Trustee:

UMB Bank, N.A.
[TBD]
Attention:
Telephone:
Email:

with a copy to:

Mintz Levin Cohn Ferris Glovsky and Popeo, P.C.
One Financial Center
Boston, Massachusetts 02111
Telephone: (617) 542-6000
Email: ppatidar@mintz.com
Attention: Poonam Patidar

(d) In addition to the foregoing, the Bond Trustee shall have the right to accept and act upon instructions, including funds transfer instructions (“Instructions”) given pursuant to this Bond Indenture and delivered using Electronic Means (“Electronic Means” means the following communications methods: e-mail, facsimile transmission, secure electronic transmission containing applicable authorization codes, passwords and/or authentication keys issued by the Bond Trustee, or another method

or system specified by the Bond Trustee as available for use in connection with its services hereunder); provided, however, that the Issuer and Obligor shall provide to the Bond Trustee an incumbency certificate listing officers with the authority to provide such Instructions (“Authorized Officers”) and containing specimen signatures of such Authorized Officers, which incumbency certificate shall be amended by the Issuer and Obligor whenever a person is to be added or deleted from the listing. If the Issuer and Obligor elects to give the Bond Trustee Instructions using Electronic Means and the Bond Trustee in its discretion elects to act upon such Instructions, the Bond Trustee's understanding of such Instructions shall be deemed controlling. The Issuer and Obligor each understands and agrees that the Bond Trustee cannot determine the identity of the actual sender of such Instructions and that the Bond Trustee shall conclusively presume that directions that purport to have been sent by an Authorized Officer listed on the incumbency certificate provided to the Bond Trustee have been sent by such Authorized Officer. The Issuer and Obligor each shall be responsible for ensuring that only Authorized Officers transmit such Instructions to the Bond Trustee and the Issuer and Obligor and all Authorized Officers are solely responsible to safeguard the use and confidentiality of applicable user and authorization codes, passwords and/or authentication keys upon receipt by the Issuer and Obligor. The Bond Trustee shall not be liable for any losses, costs or expenses arising directly or indirectly from the Bond Trustee's reliance upon and compliance with such Instructions notwithstanding such directions conflict or are inconsistent with a subsequent written instruction. The Issuer and Obligor each agrees: (i) to assume all risks arising out of the use of Electronic Means to submit Instructions to the Bond Trustee, including without limitation the risk of the Bond Trustee acting on unauthorized Instructions, and the risk of interception and misuse by third parties; (ii) that it is fully informed of the protections and risks associated with the various methods of transmitting Instructions to the Bond Trustee and that there may be more secure methods of transmitting Instructions than the method(s) selected by the Issuer and Obligor; (iii) that the security procedures (if any) to be followed in connection with its transmission of Instructions provide to them a commercially reasonable degree of protection in light of its particular needs and circumstances; and (iv) to notify the Bond Trustee immediately upon learning of any compromise or unauthorized use of the security procedures.

(e) Notwithstanding the foregoing, notices to the Bond Trustee shall be effective only upon receipt.

Section 11.10. Payments Due on Holidays. If the date for making any payment or the last day for performance of any act or the exercising of any right, as provided in this Bond Indenture, shall be a legal holiday or a day on which banking institutions in Dallas, Texas, are authorized by law to remain closed, such payment may be made or act performed or right exercised on the next succeeding day not a legal holiday or a day on which such banking institutions are authorized by law to remain closed with the same force and effect as if done on the nominal date provided in this Bond Indenture.

IN WITNESS WHEREOF, NEW HOPE CULTURAL EDUCATION FACILITIES FINANCE CORPORATION has caused this Bond Indenture to be executed on its behalf by its President, and UMB BANK, N.A. has caused this Bond Indenture to be executed on its behalf by its duly authorized officer to evidence its acceptance of the trusts hereby created, all as of the date first above written.

NEW HOPE CULTURAL EDUCATION
FACILITIES FINANCE CORPORATION

By: _____
President

UMB BANK, N.A., as Bond Trustee

By: _____
Authorized Signatory

NEW HOPE CULTURAL EDUCATION FACILITIES FINANCE CORPORATION

and

BUCKINGHAM SENIOR LIVING COMMUNITY, INC.

LOAN AGREEMENT

DATED AS OF November 1, 2021

NEW HOPE CULTURAL EDUCATION FACILITIES FINANCE CORPORATION
RETIREMENT FACILITY REVENUE BONDS
(BUCKINGHAM SENIOR LIVING COMMUNITY, INC. PROJECT)
SERIES 2021A-1, SERIES 2021A-2 (FEDERALLY TAXABLE) and SERIES 2021B

LOAN AGREEMENT

THIS LOAN AGREEMENT dated as of November 1, 2021, between NEW HOPE CULTURAL EDUCATION FACILITIES FINANCE CORPORATION, a nonprofit cultural education facilities finance corporation duly organized and existing under the laws of the State of Texas (the “Issuer”), and BUCKINGHAM SENIOR LIVING COMMUNITY, INC., a nonprofit corporation duly organized and existing under the laws of the State of Texas (the “Obligor”),

WITNESSETH:

WHEREAS, the Issuer is a nonstock nonprofit cultural education facilities finance corporation organized and existing under the laws of the State of Texas, created and acting on behalf of the Town of New Hope, Texas; and

WHEREAS, the Issuer is authorized under the Cultural Education Facilities Finance Corporation Act, Chapter 337, Texas Local Government Code, as amended (the “Act”), to enter into loan agreements and to issue its bonds and loan the proceeds thereof to provide for the financing and refinancing of the acquisition, construction or installation of health facilities; and

WHEREAS, previously, Tarrant County Cultural Education Facilities Finance Corporation (the “Prior Issuer”) issued its (i) Tarrant County Cultural Education Facilities Finance Corporation Retirement Facility Revenue Bonds (Buckingham Senior Living Community, Inc. Project), Series 2007 (the “Series 2007 Bonds”) pursuant to an Indenture of Trust dated as of July 1, 2007 (the “2007 Original Indenture”), between the Prior Issuer and the prior trustee, (ii) Tarrant County Cultural Education Facilities Finance Corporation Retirement Facility Revenue Bonds (Buckingham Senior Living Community, Inc. Project), Series 2014 (the “Series 2014 Bonds”) pursuant to the 2007 Indenture, as supplemented by Supplement No. 1 to the Indenture of Trust, dated as of September 1, 2014 (the 2007 Original Indenture, as supplemented, the “2007 Indenture”) and (iii) Tarrant County Cultural Education Facilities Finance Corporation Retirement Facility Revenue Bonds (Buckingham Senior Living Community, Inc. Project), Series 2015A, Series 2015B-1 and Series 2015B-2 (the “Series 2015 Bonds” and together with the Series 2007 Bonds and Series 2014 Bonds, the “Existing Bonds”) pursuant to an Indenture of Trust dated as of August 1, 2015 (the “2015 Indenture” and together with the 2007 Indenture, the “Original Bond Indentures”) between the Prior Issuer and the prior trustee.

WHEREAS, the Prior Issuer loaned the proceeds of the Existing Bonds to Buckingham Senior Living Community, Inc. (the “Obligor”) pursuant to certain Loan Agreements previously entered into between the Prior Issuer and the Obligor (the “Original Loan Agreements”) for the purpose of financing and refinancing the Series 2021 Project.

WHEREAS, subsequent to the issuance of the Existing Bonds, the Obligor defaulted on its obligations with respect to the Existing Bonds, including without limitation its obligations under the Original Loan Agreements and Original Bond Indentures, and entered into negotiations with owners of a majority of principal amount of the Existing Bonds to address the issues. On June 25, 2021, the Obligor filed its voluntary petition under Chapter 11 of the Bankruptcy Code in the bankruptcy case styled In re: Buckingham Senior Living Community, Inc. Case No. 21-32155 (the “Bankruptcy Proceedings”) in the United States Bankruptcy Court for the Southern District of Texas (the “Bankruptcy Court”). As part of the Bankruptcy Proceedings, the Obligor filed its reorganization plan which included the restructuring of the Existing Bonds (the “Bankruptcy Plan”). On November __, 2021, the Bankruptcy Court issued its order (the “Order”) confirming the Bankruptcy Plan. The Order and the Bankruptcy Plan provide that

the outstanding Existing Bonds are to be restructured by having the owners of all of the Existing Bonds exchange such outstanding Existing Bonds for Series 2021B Bonds (as defined below) (the “Bond Exchange”).

WHEREAS, In order to effectuate the Bond Exchange and the Bankruptcy Plan, including funding additional costs of the Series 2021 Project, the Obligor has requested that the Issuer issue: (a) \$3,920,000 in aggregate principal amount of its Retirement Facility Revenue Bonds (Buckingham Senior Living Community, Inc. Project) Series 2021A-1 (the “Series 2021A-1 Bonds”), (b) \$24,580,000 in aggregate principal amount of its Retirement Facility Revenue Bonds (Buckingham Senior Living Community, Inc. Project) Series 2021A-2 (Federally Taxable) (the “Series 2021A-2 Bonds” and together with the Series 2021A-1 Bonds, the “Series 2021A Bonds”), and (c) \$140,340,000 in aggregate principal amount of its Retirement Facility Revenue Bonds (Buckingham Senior Living Community, Inc. Project) Series 2021B (the “Series 2021B Bonds” and, together with the Series 2021A Bonds, the “Series 2021 Bonds”), and exchange the Series 2021B Bonds for the outstanding Existing Bonds, with each owner of Existing Bonds to receive their ratable share of Series 2021B Bonds as set forth in the Bond Indenture (as defined below).

NOW, THEREFORE, for and in consideration of the premises and the mutual covenants hereinafter contained, the parties hereto formally covenant, agree and bind themselves as follows:

ARTICLE I

Definitions

Section 1.1. Definitions. Except as otherwise provided herein, the terms used in this Agreement shall have the meanings given such terms in the Master Indenture. In addition to such terms defined in the Master Indenture, the following terms, except where the context indicates otherwise, shall have the respective meanings set forth below.

“Account” means any account established within a Fund.

“Act” means the Cultural Education Facilities Finance Corporation Act, Chapter 337, Texas Local Government Code, as amended from time to time.

“Additional Bonds” means one or more series of additional bonds authorized to be issued by the Issuer pursuant to Sections 2.09 and 2.10 of the Bond Indenture.

“Additional Notes” means any Notes related to any Additional Bonds.

“Administration Expenses” means the reasonable and necessary fees and expenses incurred by the Issuer pursuant to this Agreement and the Bond Indenture.

“Affiliate” means, with respect to any Person, any Person that directly or indirectly through one or more intermediaries, controls, is controlled by or is under common control with such first Person. A Person shall be deemed to control another Person for the purposes of this definition if such Person possesses, directly or indirectly, the power to direct, or cause the direction of, the management and policies of the second Person, whether through the ownership of voting securities, common directors, trustees or officers, by contract or otherwise.

“Agreement” or “Loan Agreement” means this Loan Agreement and any amendments and supplements

hereto made in conformity herewith and with the Bond Indenture.

“Authorized Denominations” means, with respect to the Series 2021A Bonds, the denomination of \$25,000 or any \$5,000 multiple thereof, with respect to the Series 2021B Bonds, the denomination of \$1 and any integral multiple thereof and, with respect to any series of Additional Bonds, as provided in the supplemental indenture creating such series of Additional Bonds.

“Authorized Representative” means such person at the time and from time to time designated by written certificate of the Obligor furnished to the Bond Trustee containing the specimen signature of such person and signed on behalf of the Obligor by the Chair, any Vice Chair, Treasurer or Assistant Treasurer of the Obligor to act on behalf of the Obligor. Such certificate may designate an alternate or alternates.

“Board” or “Board of Directors” means the governing body of the Issuer or the Obligor.

“Bond Counsel” means McCall, Parkhurst & Horton L.L.P., and its successors or such other nationally recognized bond counsel as may be selected by the Obligor with the approval of the Issuer, which approval may not be unreasonably withheld.

“Bond Fund” means the Bond Fund created in Section 3.02 of the Bond Indenture.

“Bond Indenture” means the Indenture of Trust of even date herewith relating to the Series 2021 Bonds between the Issuer and the Bond Trustee, including any indentures supplemental thereto made in conformity therewith.

“Bond Trustee” means UMB Bank, N.A., being the registrar, a paying agent and the trustee under the Bond Indenture, or any successor corporate trustee.

“Bondholder” or “Owner” of the Bonds mean the Registered Owner of any fully registered Bond.

“Bonds” means the Series 2021 Bonds and any Additional Bonds issued pursuant to the Bond Indenture.

“Certified Resolution” means a resolution duly adopted by the Board of Directors, certified by the Secretary.

“Code” means the Internal Revenue Code of 1986, as amended.

“Completion Certificate” means a certificate of the Obligor delivered pursuant to Section 4.2(b) hereof.

“Completion Date” means the date on which the Bond Trustee receives a Completion Certificate.

“Construction Fund” means the construction fund created under Section 3.06 of the Bond Indenture and any construction fund created in connection with an issue of Additional Bonds under Section 2.09 of the Bond Indenture.

“Cost” or “Costs” as applied to any portion of the Project means and includes any and all costs of such health facility permitted by law and, without limiting the generality of the foregoing, shall include the following:

- (a) the cost of the acquisition of all land, rights of way, options to purchase land, easements, leasehold estates in land, and interests of all kinds in land related to such health facility;

- (b) the cost of the acquisition, construction, repair, renovation, remodeling, or improvement of all buildings and structures to be used as or in conjunction with such health facility;
- (c) the cost of site preparation, including the cost of demolishing or removing any buildings or structures the removal of which is necessary or incident to providing such health facility;
- (d) the cost of architectural, engineering, legal, and related services; the cost of the preparation of plans, specifications, studies, surveys, and estimates of cost and of revenue; and all other expenses necessary or incident to planning, providing, or determining the feasibility and practicability of such health facility;
- (e) the cost of all machinery, equipment, furnishings, and facilities necessary or incident to the equipping of such health facility so that it may be placed in operation;
- (f) the cost of financing charges and interest prior to and during construction and for a maximum of two years after completion of construction and the start up costs of such health facility during construction and for a maximum of two years after completion of construction;
- (g) any and all costs paid or incurred in connection with the financing of such health facility, including without limitation the cost of financing, legal, accounting, financial advisory, and appraisal fees, expenses, and disbursements; the cost of any policy or policies of title insurance; the cost of printing, engraving, and reproduction services; and the cost of the initial or acceptance fee of any trustee or paying agent;
- (h) all direct and indirect costs of the Issuer incurred in connection with providing such health facility, including without limitation reasonable sums to reimburse the Issuer for time spent by its agents or employees with respect to providing such health facility and the financing thereof; and
- (i) the cost of financing, establishing, and funding a reserve fund or reserve funds for a program of self insurance and/or risk management and further including, without limitation, the cost of the preparation of studies, surveys, and estimates of cost, revenue, risk, and liability and all other costs and expenses necessary or incident to the planning, providing, or determining the feasibility and practicability and the continuing program and operating costs of such program of self insurance and/or risk management.

“Cost of Issuance” means all costs and expenses incurred by the Issuer or the Obligor in connection with the issuance and sale of the Bonds, including without limitation (i) reasonable fees and expenses of accountants, attorneys, engineers, and financial advisors and of the Bond Trustee, (ii) materials, supplies, and printing and engraving costs, (iii) recording and filing fees and (iv) rating agency fees.

“Cost of Issuance Fund” means the cost of issuance fund created under Section 3.18 of the Bond Indenture.

“Delivery Date” means the date the Bonds are delivered to the initial purchasers against payment therefor.

“Excess Cash” shall have the meaning set forth in the Master Indenture.

“Excess Cash Account” means the Account of such name in the Bond Fund created in Section 3.02 of the Bond Indenture.

“Excess Cash Redemption Date” means each March 15 and September 15.

“Existing Bonds” means the outstanding Series 2007 Bonds, Series 2014 Bonds and Series 2015 Bonds.

“Event of Default” means those defaults specified in Section 8.01 of the Bond Indenture.

“Fitch” means Fitch Inc., a corporation organized and existing under the laws of the State of Delaware, its successors and assigns, and if such corporation shall be dissolved or liquidated or shall no longer perform the functions of a securities rating agency, “Fitch” shall be deemed to refer to any other nationally recognized securities rating agency designated by the Obligor, with written notice to the Bond Trustee and the Bondholder Representative.

“Funds” means the Bond Fund, the Reserve Fund, the Cost of Issuance Fund and the Construction Fund.

“Government Obligations” means direct obligations of, or obligations the principal of and interest on which are guaranteed by, the United States of America, including (in the case of direct obligations of the United States of America) evidences of direct ownership of proportionate interests in future interest or principal payments of such obligations. Investments in such proportionate interests must be limited to circumstances wherein (a) a bank or trust company acts as custodian and holds the underlying Government Obligations; (b) the owner of the investment is the real party in interest and has the right to proceed directly and individually against the Obligor of the underlying Government Obligations; and (c) the underlying Government Obligations are held in a special account, segregated from the custodian's general assets, and are not available to satisfy any claim of the custodian, any person claiming through the custodian, or any person to whom the custodian may be obligated.

“Health Facility Act” means the Health Facilities Development Act, Chapter 221, Texas Health and Safety Code, as amended from time to time.

“Interest Account” means the accounts of such name in the Bond Fund created in Section 3.02 of the Bond Indenture.

“Interest Payment Date” means (i) as to the Series 2021 Bonds, each May 15 and November 15, commencing May 15, 2022, or, if such day is not a business day, the immediately succeeding business day in the years during which the Series 2021 Bonds are Outstanding under the provisions of the Bond Indenture, and (ii) as to Additional Bonds, the dates specified in the applicable supplemental indenture on which interest on such Additional Bonds is to be paid.

“Issuer” means New Hope Cultural Education Facilities Finance Corporation, or any public corporation succeeding to its rights and obligations under this Agreement.

“Issuer Representative” means the President of the Issuer or such other person at the time, and from time to time, designated by written certificate of the Issuer furnished to the Obligor and the Bond Trustee containing the specimen signature of such person and signed on behalf of the Issuer by its President. Such certificate shall designate an alternate or alternates, any of whom may act at any time as Issuer Representative.

“Majority Holders” means so long as of any of the Senior Bonds are then Outstanding, the Holders of not less than a majority in the aggregate principal amount of the Senior Bonds and if no Senior Bonds are then outstanding, the Holders of not less than a majority in the aggregate principal amount of the Subordinate Bonds Outstanding.

“Master Indenture” means the Amended and Restated Master Trust Indenture, Deed of Trust and Security

Agreement dated as of November 1, 2021, as supplemented, between the Obligor and the Master Trustee, including any supplements or amendments thereto and modifications thereof.

“Master Trustee” means UMB Bank, N.A., as trustee under the Master Indenture, and its successors as trustee thereunder.

“Maximum Rate” means the lesser of (a) 15% per annum or (b) the maximum interest rate permitted by applicable Texas law.

“Moody's” means Moody's Investors Service, or any successor thereto maintaining a rating on the Bonds.

“Notes” means the Series 2021 Notes and any other note payable to the Issuer issued under the Master Indenture pursuant to this Agreement.

“Obligated Group Members” has the meaning given such term in the Master Indenture.

“Obligated Group Representative” means (i) Buckingham Senior Living Community, Inc., a nonprofit corporation incorporated under the laws of the State of Texas, and (ii) any surviving, resulting or transferee corporation.

“Obligor” means Buckingham Senior Living Community, Inc., a Texas nonprofit corporation, and any and all successors thereto in accordance with the Master Indenture.

“Officer’s Certificate” means a certificate signed by an Authorized Representative of the Obligor and delivered to the Bond Trustee.

“Opinion of Bond Counsel” shall mean an opinion in writing signed by legal counsel selected by the Obligor and reasonably acceptable to the Issuer and the Bond Trustee who shall be nationally recognized in matters pertaining to the validity of obligations of governmental issuers and the exemption from federal income taxation of interest on such obligations.

“Opinion of Counsel” means an opinion in writing signed by an attorney or firm of attorneys, acceptable to the Bond Trustee, who may be counsel to the Obligor or other counsel.

“Outstanding” means, as of any particular time, all Bonds which have been duly authenticated and delivered by the Bond Trustee under the Bond Indenture, except:

(a) Bonds theretofore cancelled by the Bond Trustee or delivered to the Bond Trustee for cancellation after purchase in the open market or because of payment at or redemption prior to maturity;

(b) Bonds for the payment or redemption of which cash funds (or Government Obligations to the extent permitted in Section 7.01 of the Bond Indenture) shall have been theretofore deposited with the Bond Trustee (whether upon or prior to the maturity or redemption date of any such Bonds); provided that if such Bonds are to be redeemed prior to the maturity thereof, notice of such redemption shall have been given or arrangements satisfactory to the Bond Trustee shall have been made therefor, or waiver of such notice satisfactory in form to the Bond Trustee, shall have been filed with the Bond Trustee and provided further that prior to such payment or redemption, the Bonds to be paid or redeemed shall be deemed to be Outstanding for the purpose of transfers and exchanges under Section 2.05 of the Bond Indenture; and

(c) Bonds in lieu of which other Bonds have been authenticated under Section 2.06 of the Bond Indenture.

“Original Bond Indentures” means any indenture of trust or substantially similar document pursuant to which any series of Outstanding Existing Bonds were issued.

“Par Call Date” means November 15, 2031.

“Paying Agent” means any bank or trust company, including the Bond Trustee, designated pursuant to the Bond Indenture to serve as a paying agency or place of payment for the Bonds, and any successor designated pursuant to the Bond Indenture.

“Payment Office” with respect to the Bond Trustee or other Paying Agent means the office maintained by the Bond Trustee or any affiliate of the Bond Trustee or of another Paying Agent for the payment of interest and principal on the Bonds.

“Permitted Investments” has the meaning assigned to such term in the Master Indenture.

“Person” means an individual, association, unincorporated organization, corporation, limited liability company, partnership, joint venture, business trust or a government or an agency or a political subdivision thereof, or any other entity.

“Principal Account” means the accounts of such name in the Bond Fund created in Section 3.02 of the Bond Indenture.

“Prior Issuer” means Tarrant County Cultural Education Facilities Finance Corporation.

“Project” means any health facility permitted by the Act to be financed and refinanced by the Bonds.

“Rating Agency” means Fitch, Inc., Moody's or Standard & Poor's, and any successor thereto.

“Rebate Fund” means that special fund established in the name of the Issuer with the Bond Trustee pursuant to Section 3.16 of the Bond Indenture.

“Registered Owner” or “Owners” means the Person or Persons in whose name or names a Bond shall be registered on books of the Issuer kept by the Bond Trustee for that purpose in accordance with the terms of the Bond Indenture.

“Regular Record Date” means for the Series 2021 Bonds the close of business on the last day of the month next preceding each regularly scheduled Interest Payment Date therefor, and for Additional Bonds shall be the day established by the supplement to the Bond Indenture relating to such Additional Bonds.

“Regulations” means the applicable proposed, temporary or final Income Tax Regulations promulgated under the Code or, to the extent applicable to the Code, under the Internal Revenue Code of 1954, as such regulations may be amended or supplemented from time to time.

“Reserve Account” means an account established within the Reserve Fund relating to a specific series of Bonds issued under the Bond Indenture.

“Reserve Fund” means the Reserve Fund created in Section 3.08 of the Bond Indenture.

“Reserve Fund Obligations” means cash and Permitted Investments.

“Reserve Fund Requirement” means with respect to (a) the Series 2021A-1 Bonds, \$[392,000], (b) the Series 2021A-2 Bonds, \$[3,390,750], (c) the Series 2021B Bonds, (i) for so long as the Series 2021A-1 Bonds and the Series 2021A-2 Bonds are outstanding, \$[7,803,250], (ii) once the Series 2021A-2 Bonds are paid in full, \$[11,194,000] and (iii) once the Series 2021A Bonds are paid in full and thereafter, \$11,586,000, and (d) any Additional Bonds, the amount specified in the supplemental indenture pursuant to which such Additional Bonds are issued.

“Responsible Officer” when used with respect to the Bond Trustee means an officer in the corporate trust department of the Bond Trustee having direct responsibility for administration of the Bond Indenture.

“Securities Depository” means The Depository Trust Company, New York, New York, and any successor thereto as permitted by the Bond Indenture.

“Senior Bonds” means the Series 2021A Bonds.

“Series 2007 Bonds” means the Tarrant County Cultural Education Facilities Finance Corporation Retirement Facility Revenue Bonds (Buckingham Senior Living Community, Inc. Project) Series 2007.

“Series 2014 Bonds” means the Tarrant County Cultural Education Facilities Finance Corporation Retirement Facility Revenue Bonds (Buckingham Senior Living Community, Inc. Project) Series 2014.

“Series 2015 Bonds” means Tarrant County Cultural Education Facilities Finance Corporation Retirement Facility Revenue Bonds (Buckingham Senior Living Community, Inc. Project) Series 2015A and Series 2015B.

“Series 2021 Bonds” means the Series 2021A Bonds and Series 2021B Bonds.

“Series 2021 Project” means the Series 2021 Project described in Exhibit A hereto.

“Series 2021A Bonds” means the Series 2021A-1 Bonds and Series 2021A-2 Bonds.

“Series 2021A-1 Bonds” means the New Hope Cultural Education Facilities Finance Corporation Retirement Facility Revenue Bonds (Buckingham Senior Living Community, Inc. Project) Series 2021A-1 issued under the Bond Indenture.

“Series 2021A-1 Project” means the Series 2021A-1 Project that is part of the Series 2021 Project described in Exhibit A hereto.

“Series 2021A-2 Bonds” means the New Hope Cultural Education Facilities Finance Corporation Retirement Facility Revenue Bonds (Buckingham Senior Living Community, Inc. Project) Series 2021A-2 (Federally Taxable) issued under the Bond Indenture.

“Series 2021B Bonds” means the New Hope Cultural Education Facilities Finance Corporation Retirement Facility Revenue Bonds (Buckingham Senior Living Community, Inc. Project) Series 2021B issued under the Bond Indenture.

“Series 2021 Notes” means the promissory notes issued by the Obligor pursuant to the Supplemental Indenture.

“Short term” means, as to any investment, maturing within one year from the date of such investment and

not renewable for a term greater than one year beyond the date of original issuance.

“Special Record Date” means a special date fixed to determine the names and addresses of Owners of Series 2021 Bonds for purposes of paying interest on a special interest payment date for the payment of defaulted interest, all as further provided in Section 2.03 of the Bond Indenture and for Additional Bonds shall be the day established by the supplement to the Bond Indenture relating to such Additional Bonds.

“Standard & Poor's” means Standard & Poor's Financial Services LLC, a division of The McGraw-Hill Companies, Inc., or any successor thereto maintaining a rating on the Bonds.

“Subordinate Bonds” means the Series 2021B Bonds and any Additional Bonds issued on parity therewith.

“Supplemental Indenture” means the Supplemental Indenture Number 1, dated as of November 1, 2021, by the Obligor executed and delivered to the Master Trustee, supplemental to the Master Indenture, providing for the issuance of the Series 2021 Notes.

“Surplus Construction Fund Moneys” means all moneys (including moneys earned from investment) remaining in the Construction Fund after completion or termination of a Series 2021A-1 Project (as evidenced by a Completion Certificate) and payment of all other costs then due and payable from the Construction Fund.

“Tax Exempt Bonds” means the Series 2021A-1 Bonds, the Series 2021B Bonds and any Additional Bonds, the interest on which is intended to be excludable from the gross income of the Owners thereof for federal income tax purposes.

“Trigger Date” means the earlier of (i) November 15, 2026 or (ii) the date the Pre-Effective Date Refund Queue is paid in full.

“Trust Estate” means the property pledged and assigned to the Bond Trustee pursuant to the granting clauses of the Bond Indenture.

Certain additional terms are defined in Section 4.9 and Section 7.5 hereof.

ARTICLE II

Representations

Section 2.1. Representations by the Issuer. The Issuer represents that:

- (a) The Issuer is a nonstock nonprofit cultural education facilities finance corporation duly organized and validly existing under and pursuant to the laws of the State of Texas and has full power and authority under the laws of the State of Texas (including, in particular, the Act) to enter into the transactions contemplated by this Agreement and to carry out its obligations hereunder. By proper corporate action the Issuer has duly authorized the execution and delivery of this Agreement and the Bond Indenture and the performance of its obligations under this Agreement and the Bond Indenture.
- (b) To the best of the Issuer's knowledge, neither the execution and delivery of the Series 2021 Bonds, the Bond Indenture or this Agreement, the consummation of the transactions contemplated thereby and hereby nor the fulfillment of or compliance with the terms and conditions or provisions of the Series 2021 Bonds, the Bond Indenture or this Agreement conflict with or result in the breach of any of the terms, conditions or provisions of any constitutional provision or statute of the State of Texas or the articles of incorporation or bylaws of the Issuer or of any agreement or instrument or judgment, order or decree of which the Issuer has notice that it is a party or constitute a default under any of the foregoing or result in the creation or imposition of any prohibited lien, charge or encumbrance of any nature upon any property or assets of the Issuer under the terms of any instrument or agreement.
- (c) To finance and refinance a portion of the Cost of the Series 2021 Project, to fund startup expenses for the Obligor and to fund a debt service reserve fund and to pay a portion of the Cost of Issuance, the Issuer proposes to issue the Series 2021 Bonds. The Series 2021 Bonds shall be in the principal amount, mature, bear interest, be subject to redemption prior to maturity, be secured, and have such other terms and conditions as are set forth in the Bond Indenture.
- (d) The Series 2021 Bonds are to be issued under and secured by the Bond Indenture pursuant to which the Issuer's interest in this Agreement and in the Series 2021 Notes, and the revenues and receipts derived by the Issuer from the Series 2021 Notes, will be pledged and assigned to the Bond Trustee as security for payment of the principal of, premium, if any, and interest on the Series 2021 Bonds.
- (e) The Obligor has represented to the Issuer that the purpose of the Series 2021 Project is to constitute a "health facility" within the meaning of the Health Facility Act. The Series 2021 Project will promote the health and general welfare of the residents of Harris County, Texas by improving the adequacy and accessibility of health care within the State of Texas.
- (f) The issuance of the Series 2021 Bonds and the execution of this Agreement and the Bond Indenture have been approved by the Issuer at a duly constituted meeting.
- (g) Except as otherwise permitted by this Agreement, the Issuer covenants that it has not and will not pledge the income and revenues derived from this Agreement other than to secure the Bonds.

Section 2.2. Representations by the Obligor. The Obligor represents that:

(a) The Obligor is a nonprofit corporation duly incorporated and in good standing under the laws of the State of Texas, has power to enter into this Agreement, the Master Indenture, the Supplemental Indenture and the Series 2021 Notes, and by proper corporate action has duly authorized the execution and delivery of this Agreement, the Master Indenture, the Supplemental Indenture and the Series 2021 Notes.

(b) Neither the execution and delivery of this Agreement, the Master Indenture, the Supplemental Indenture and the Series 2021 Notes, the consummation of the transactions contemplated hereby and thereby, nor the fulfillment of or compliance with the terms and conditions of this Agreement, the Master Indenture, the Supplemental Indenture or the Series 2021 Notes, conflict with or result in a breach of any of the terms, conditions or provisions of any corporate restriction or any agreement or instrument to which the Obligor is now a party or by which it is bound or constitute a default under any of the foregoing.

(c) The Obligor intends to operate or to cause the Series 2021 Project to be operated as a “health facility” within the meaning of the Health Facility Act to the expiration or sooner termination of this Agreement as provided herein for the purpose of providing health care services as provided in the Health Facility Act.

(d) No event of default or any event which, with the giving of notice or the lapse of time, or both, would constitute an event of default under the Master Indenture, has occurred.

(e) To the best of the Obligor's knowledge, information and belief, all of the documents, instruments and written information supplied by or on behalf of the Obligor, which have been reasonably relied upon by Bond Counsel in rendering their opinion with respect to the exclusion from gross income of the interest on the Bonds for federal income tax purposes or counsel to the Obligor in rendering its opinion with respect to the status of the Obligor under Section 501(c)(3) of the Code, are true and correct in all material respects, do not contain any untrue statement of a material fact and do not omit to state any material fact necessary to be stated therein to make the information provided therein, in light of the circumstances under which such information was provided, not misleading.

ARTICLE III

Term of Agreement

Section 3.1. Term of this Agreement. Subject to Section 11.12 herein, this Agreement shall remain in full force and effect from the date of delivery hereof until such time as all of the Bonds shall have been fully paid or provision made for such payment pursuant to the Bond Indenture and all reasonable and necessary fees and expenses of the Bond Trustee and the Issuer accrued and to accrue through final payment of the Bonds and all liabilities of the Obligor with respect to the Bonds accrued and to accrue through final payment of the Bonds have been paid.

ARTICLE IV

Issuance of the Bonds; Construction of Projects; Disbursements

Section 4.1. Agreement to Issue Bonds, Application of Bond Proceeds. The Issuer will sell and (i) cause to be delivered to the initial purchasers thereof the Series 2021A Bonds, (ii) cause to be exchanged the Series 2021B Bonds for the Existing Bonds, and (iii) deliver the proceeds of the Series 2021A Bonds to the Bond Trustee for application as described in Section 3.01 of the Bond Indenture.

Section 4.2. Agreement to Construct Project; Completion Certificate. (a) The Obligor shall cause each Project to be acquired, constructed, and improved with due diligence and pursuant to the requirements of the applicable laws of the State of Texas in all material respects.

(b) The Obligor shall deliver to the Bond Trustee within 90 days after the final completion or termination of any Project a certificate (the "Completion Certificate") of an Obligor to the effect that:

(i) such Project has been completed substantially in accordance with the plans and specifications, as then amended, and the date of completion;

(ii) the Cost of each Project has been fully paid for and no claim or claims exist against the Obligor or against such Project out of which a lien based on furnishing labor or material exists or might ripen; provided, however, there may be excepted from the foregoing statement any claim or claims out of which a lien exists or might ripen in the event that the Obligor intends to contest such claim or claims in accordance with this Loan Agreement, in which event such claim or claims shall be described; provided, further, that it shall be stated that moneys are on deposit in the Construction Fund sufficient to make payment of the full amount that might in any event be payable in order to satisfy such claim or claims; provided, further, that there may also be excepted from the foregoing statement any claim that has been insured over pursuant to an endorsement to any title insurance; and

(iii) all permits, certificates and licenses necessary for the occupancy and use of such Project have been obtained and are in full force and effect.

Section 4.3. Cost of Construction. The Obligor represents and warrants that it will use its best efforts to construct or cause the construction of each Project at a price which will permit completion of such Project within the amount of the funds to be deposited in the Construction Fund and within the amount of other available funds of the Obligor.

Section 4.4. Plans; Modifications of Projects. The Obligor hereby covenants and agrees that no changes or modifications, or substitutions, deletions, or additions shall be made with respect to any Project if such change disqualifies such Project under the Act. The Series 2021A-1 Project includes (i) the refurbishment of the lobby of the original building of the Series 2021 Project funded with the proceeds of the Series 2007 Bonds (the "Classic Building"), the Costs of which shall not exceed \$_____ (the "Lobby Refurbishment") and (ii) the refurbishment of _____ units within the Classic Building, the Costs of which shall not exceed \$_____ (the "Classic Unit Refresh"). Prior to commencement Lobby Refurbishment, the Obligor shall deliver a project budget and timeline to the Bond Trustee and Master Trustee, which shall be subject to the prior written approval of the Master Trustee (the "Approved Lobby Budget"). The Obligor covenants to complete the Lobby Refurbishment in compliance with the Approved Lobby Budget and shall be completed no later than December 31, 2022. The Obligor covenants to complete renovation of _____ units within the Classic Building from amounts on deposit in the Construction Fund for the Classic Unit Refresh and that such Classic Unit Refresh shall be completed no later than December 31, 2022.

Section 4.5. Compliance with Regulatory Requirements. The Obligor agrees that each Project shall be constructed strictly in accordance with all applicable ordinances and statutes, and in accordance with the requirements of all regulatory authorities in all material respects, and any rating or inspection organization, bureau, association, or office having jurisdiction, and it will furnish to the Issuer all information necessary for the Issuer to comply with all of the foregoing and all laws, regulations, orders and other governmental requirements.

Section 4.6. Requests for Disbursements. (a) The Obligor shall be entitled to disbursements of moneys in the Construction Fund to pay the Costs related to a Project. Requests for disbursements by the Obligor are to be made to the Bond Trustee by submission of a requisition in the form attached hereto as Exhibit B.

(b) Notwithstanding the foregoing, the Obligor shall make no request for disbursement of moneys from the Construction Fund for payment of Cost of Issuance.

Section 4.7. Cost of Issuance Fund. The Obligor shall be entitled to disbursement of moneys in the Cost of Issuance Fund to pay the Cost of Issuance. The Obligor shall request disbursements from the Cost of Issuance Fund on the form attached hereto as Exhibit C to pay Cost of Issuance, and to reimburse itself for Cost of Issuance paid by the Obligor, upon presentation to the Bond Trustee of a request for disbursement signed by the Obligor, but in no event more often than four times a month.

Section 4.8. Modification of Disbursements. The making of any disbursement or any part of a disbursement shall not be deemed an approval or acceptance by the Bond Trustee of the work theretofore done, and the Bond Trustee has no duty to inspect such work.

Section 4.9. Covenants Regarding Tax Exemption.

(a) The Obligor hereby represents and covenants as follows:

(i) the Obligor will, at the expense of the Obligor, comply with, and make all filings required by, all effective rules, rulings or Regulations promulgated by the Department of the Treasury or the Internal Revenue Service with respect to the obligations such as the Tax Exempt Bonds, if any;

(ii) the Obligor will continue to conduct its operations in a manner that will result in its continuing to qualify as an organization described in Section 501(c)(3) of the Code including but not limited to the timely filing of all returns, reports and requests for determination with the Internal Revenue Service and the timely notification of the Internal Revenue Service of all changes in its organization and purposes from the organization and purposes previously disclosed to the Internal Revenue Service;

(iii) the Obligor will not divert any substantial part of its corpus or income for a purpose or purposes other than those for which it is organized and operated as described in Section 4.11 hereof;

(iv) the proceeds of the Tax Exempt Bonds and any investment earnings thereon will be expended for the purposes set forth in this Agreement and in the Bond Indenture;

(v) the Obligor will not use or invest the proceeds of the Tax Exempt Bonds or any other amounts held by the Bond Trustee under the Bond Indenture or any investment earnings thereon in a manner that will result in the Tax Exempt Bonds becoming private activity bonds (other than qualified 501(c)(3) bonds) within the meaning of Sections 141 and 145 of the Code;

(vi) the Obligor will not use or permit to be used more than 5% of the proceeds of the Tax Exempt Bonds, including all investment income earned on such proceeds prior to the date of completion of the Project, directly or indirectly, in any trade or business carried on by any Person who is not a governmental unit or an organization described in Section 501(c)(3) of the Code. For purposes of the preceding sentence, use of the proceeds by an organization described in Section 501(c)(3) of the Code with respect to an “unrelated trade or business”, determined in accordance with Section 513(a) of the Code, does not constitute a use by a tax-exempt organization; further any use of proceeds of the Tax Exempt Bonds or any investment earnings thereon in any manner contrary to the guidelines set forth in Revenue Procedure 2017-13, including any revisions or amendments thereto, shall constitute the use of such proceeds in the trade or business of a nonexempt person;

(vii) the Obligor will not use or permit the use of any portion of the proceeds of the Tax Exempt Bonds, directly or indirectly, to make or finance loans to Persons, who are not a governmental unit or an organization described in Section 501(c)(3) of the Code. For purposes of the preceding sentence, a loan to an organization described in Section 501(c)(3) of the Code for use with respect to an “unrelated trade or business”, does not constitute a loan to such a unit or organization;

(viii) the Obligor will refrain from taking any action that would result in the Tax Exempt Bonds being “federally guaranteed” within the meaning of Section 149(b) of the Code;

(ix) the Obligor will refrain from using any portion of the proceeds of the Tax Exempt Bonds, directly or indirectly, to acquire or to replace funds which were used, directly or indirectly, to acquire investment property (as defined in Section 148(b)(2) of the Code) which produces a materially higher yield over the term of the Tax Exempt Bonds, other than investment property acquired with --

(1) proceeds of the Tax Exempt Bonds invested for a reasonable temporary period equal to the lesser of 3 years or until such proceeds are needed for the purpose for which such bonds are issued,

(2) amounts invested in a bona fide debt service fund, within the meaning of Section 1.148-1 (b) of the Treasury Regulations, and

(3) amounts deposited in any reasonably required reserve or replacement fund to the extent such amounts do not exceed 10 percent of the stated principal amount (or, in the case of a discount, the issue price) of the Tax Exempt Bonds;

(x) the Obligor will otherwise restrict the use of the proceeds of the Tax Exempt Bonds or amounts treated as proceeds of the Tax Exempt Bonds, as may be necessary, to satisfy the requirements of Section 148 of the Code (relating to arbitrage) and Section 149(d) of the Code (relating to advance refunding);

(xi) the Obligor will refrain from using the proceeds of the Tax Exempt Bonds to pay debt service on another issue more than 90 days after the date of issue of the Tax Exempt Bonds in contravention of the requirements of section 149(d) of the Code (relating to advance refundings)

(xii) the Obligor will use no more than two percent of the proceeds from the sale of the Tax Exempt Bonds for the payment of Costs of Issuance (including underwriter's discount, if any);

(xiii) the Obligor will use no portion of the proceeds of the Tax Exempt Bonds to provide any airplane, sky-box or other private luxury box, facility primarily used for gambling, or store the principal business of which is the sale of alcoholic beverages for consumption off premises; and

(xiv) the Obligor shall immediately remit to the Bond Trustee for deposit in the Rebate Fund any Excess Earnings as required by Section 3.16 of the Bond Indenture.

(b) The Issuer hereby represents and covenants as follows:

(i) the Issuer will, at the expense of the Obligor, comply with, and make all filings required by, all effective rules, rulings or Regulations promulgated by the Department of the Treasury or the Internal Revenue Service with respect to the obligations such as the Tax Exempt Bonds, if any; and

(ii) the Issuer will not take any action related to the Series 2021 Project, the Tax Exempt Bonds or the proceeds of the Tax Exempt Bonds that is not provided for in this Agreement or the Bond Indenture without the written consent of the Obligor and an Opinion of Bond Counsel.

For purposes of the foregoing, the Issuer and the Obligor understand that the term “proceeds” includes “disposition proceeds” as defined in the Treasury Regulations and, in the case of refunding bonds, transferred proceeds (if any) and proceeds of the refunded bonds expended prior to the date of issuance of the Tax Exempt Bonds. It is the understanding of the Issuer, the Obligor and the Bond Trustee that the covenants contained in this Section are intended to assure compliance with the Code and any regulations or rulings promulgated by the U.S. Department of the Treasury pursuant thereto. In the event that regulations or rulings are hereafter promulgated which modify or expand provisions of the Code, as applicable to the Tax Exempt Bonds, the Issuer and the Obligor will not be required to comply with any covenant contained herein to the extent that such failure to comply, in the opinion of nationally-recognized bond counsel, will not adversely affect the exemption from federal income taxation of interest on the Tax Exempt Bonds under Section 103 of the Code. In the event that regulations or rulings are hereafter promulgated which impose additional requirements which are applicable to the Tax Exempt Bonds, the Issuer and the Obligor agree to comply with the additional requirements to the extent necessary, in the opinion of nationally-recognized bond counsel, to preserve the exemption from federal income taxation of interest on the Tax Exempt Bonds under Section 103 of the Code. In furtherance of such intention, the Issuer hereby authorizes and directs the Issuer Representative to execute any documents, certificates or reports required by the Code and to make such elections, on behalf of the Issuer, which may be permitted by the Code as are consistent with the purpose for the issuance of the Tax Exempt Bonds.

Section 4.10. Allocation of, and Limitation on, Expenditures for the Series 2021A-1 Project. The Obligor covenants to account for the expenditure of sale proceeds and investment earnings to be used for the Cost of the Series 2021A-1 Project on its books and records by allocating proceeds to expenditures within 18 months of the later of the date that (1) the expenditure is made, or (2) the Series 2021A-1 Project is completed. The foregoing notwithstanding, the Obligor shall not expend sale proceeds or investment earnings thereon more than 60 days after the earlier of (1) the fifth anniversary of the delivery of the Tax Exempt Bonds, or (2) the date the Tax Exempt Bonds are retired, unless the Obligor obtains an Opinion of Bond Counsel that such expenditure will not adversely affect the tax-exempt status of the Tax Exempt Bonds. For purposes hereof, the Obligor shall not be obligated to comply with this covenant if it obtains an Opinion of Bond Counsel that such failure to comply will not adversely affect the excludability for federal income tax purposes from gross income of the interest.

Section 4.11. Representations and Warranties as to Tax Exempt Status of Obligor.

The Obligor hereby represents and warrants as follows:

- (a) the Obligor is an organization exempt from federal income taxation under Section 501(a) of the Code by virtue of being described in Section 501(c)(3) of the Code;
- (b) the purposes, character, activities and methods of operation of the Obligor have not changed materially since its organization and are not materially different from the purposes, character, activities and methods of operation at the time of its receipt of a determination by the Internal Revenue Service that it is an organization described in Section 501(c)(3) of the Code (the “Determination”);
- (c) the Obligor has not diverted a substantial part of its corpus or income for a purpose or purposes other than the purpose or purposes for which it is organized or disclosed to the Internal Revenue Service in connection with its Determination;
- (d) the Obligor has not operated since its organization in a manner that would result in it being classified as an “action” organization within the meaning of section 1.501(c)(3)-1(c)(3) of the Regulations including, but not limited to, promoting or attempting to influence legislation by propaganda or otherwise as a substantial part of its activities;
- (e) with the exception of the payment of compensation (and the payment or reimbursement of expenses) which is not excessive and is for personal services which are reasonable and necessary to carrying out the purposes of the Obligor, no Person controlled by any such individual or individuals nor any Person having a personal or private interest in the activities of the Obligor has acquired or received, directly or indirectly, any income or assets, regardless of form, of the Obligor during the current Fiscal Year and the period, if any, preceding the current Fiscal Year, other than as reported to the Internal Revenue Service by the Obligor;
- (f) the Obligor is not a “private foundation” within the meaning of Section 509(a) of the Code;
- (g) the Obligor has not received any indication or notice whatsoever to the effect that its exemption under Section 501(a) of the Code as an organization described in Section 501(c)(3) of the Code has been revoked or modified, or that the Internal Revenue Service is considering revoking or modifying such exemption, and such exemption is still in full force and effect;
- (h) the Obligor has filed with the Internal Revenue Service all requests for determination, reports and returns required to be filed by it and such requests for determination, reports and returns have not omitted or misstated any material fact and has notified the Internal Revenue Service of any changes in its organization and operation since the date of its Determination;
- (i) the Obligor has not devoted more than an insubstantial part of its activities in furtherance of a purpose other than an exempt purpose within the meaning of Section 501(c)(3) of the Code; and
- (j) the Obligor has not taken any action, nor does it know of any action that any other Person has taken, nor does it know of the existence of any condition, which would cause the Obligor to lose its exemption from taxation under Section 501(a) of the Code or cause the interest on the Tax Exempt Bonds to become taxable to the recipient thereof because such interest is not excludable from the gross income of such recipient for federal income tax purposes under Section 103(a) of the Code.

Section 4.12. Disposition of the Series 2021 Project. The Obligor covenants that the property

constituting the Series 2021 Project or any portion thereof will not be sold or otherwise disposed in a transaction resulting in the receipt by the Obligor of cash or other compensation, unless the Obligor (i) obtains an Opinion of Bond Counsel that such sale or other disposition will not adversely affect the tax-exempt status of the Tax Exempt Bonds and (ii) such disposition complies with the Master Indenture.

Section 4.13. Written Procedures.

(a) The Obligor (i) has designated the President of the Obligor as the person who will contact the Issuer and its counsel in the event of any change of use of any portion of the Series 2021 Project within 15 days of such change in use event, and (ii) will provide, within 60 days of such date, a rebate report or a letter (prepared by a certified public accountant, nationally recognized rebate consultant or bond counsel) stating that a rebate report is not required.

(b) The Issuer has designated the President or any of its Vice Presidents as the person who (i) will receive notice by the person described in the preceding paragraph of any change of use of the Series 2021 Project and who will determine, upon consultation with nationally recognized bond counsel, whether to take any remedial action or any other remedy available at law to ensure that the tax-exempt status of the Tax Exempt Bonds is preserved following such change of use, and (ii) will receive the aforementioned rebate report or letter stating that such report is not required.

Section 4.14. Surplus Construction Fund Moneys. If, upon delivery of the Completion Certificate, there shall be any Surplus Construction Fund Moneys, such Surplus Construction Fund Moneys (to the extent not otherwise required to be rebated to the United States in accordance with section 148(f) of the Code) shall be transferred to the Series 2021A-1 Principal Account of the Bond Fund and used to redeem Series 2021A-1 Bonds in accordance with the Bond Indenture.

ARTICLE V

Loan of Bond Proceeds; Note; Provision for Payment

Section 5.1. Loan of Bond Proceeds. The Issuer hereby agrees to loan to the Obligor the proceeds of the Bonds to provide financing and refinancing for the Costs of each Project. The Obligor hereby agrees to repay the loan pursuant to the conditions set forth in Section 5.2 hereof.

Section 5.2. Repayment of Loan. (a) Anything to the contrary in the Agreement notwithstanding, the Obligor shall make loan payments with respect to the Series 2021A-1 Note in accordance with the Bond Indenture and the Agreement directly to the Bond Trustee for deposit in the appropriate Account of the Bond Fund:

(i) on the first business day of each month commencing December 1, 2022, one-sixth of the interest due on the next Interest Payment Date; and

(ii) on December 1, 2035 and on the first day of each month thereafter, one-twelfth of the principal due on the next date on which such principal is due, and

(iii) on the date on which any principal of, premium, if any or interest on any Series 2021A-1 Bond is payable, an amount sufficient to cause the amount available in the Series 2021A-1 Principal Account or the Series 2021A-1 Interest Account of the Bond Fund for payment of such amounts to equal the amount due with respect to such Series 2021A-1 Bond on such date.

(b) Anything to the contrary in the Agreement notwithstanding, the Obligor shall make loan payments with respect to the Series 2021A-2 Note in accordance with the Bond Indenture and the Agreement directly to the Bond Trustee for deposit in the appropriate Account of the Bond Fund:

(i) on the first business day of each month commencing December 1, 2022, one-sixth of the interest due on the next Interest Payment Date; and

(ii) on December 1, 2025 and on the first day of each month thereafter, one-twelfth of the principal due on the next date on which such principal is due, and

(iii) on the date on which any principal of, premium, if any or interest on any Series 2021A-2 Bond is payable, an amount sufficient to cause the amount available in the Series 2021A-2 Principal Account or the Series 2021A-2 Interest Account of the Bond Fund for payment of such amounts to equal the amount due with respect to such Series 2021A-2 Bond on such date.

(c) Anything to the contrary in the Agreement notwithstanding, the Obligor shall make loan payments with respect to the Series 2021B Note in accordance with the Bond Indenture and the Agreement directly to the Bond Trustee for deposit in the appropriate Account of the Bond Fund:

(i) on the first business day of each month after the occurrence of the Trigger Date, equal monthly installments of interest due on the next Interest Payment Date; and

(ii) on December 1, 2037 and on the first day of each month thereafter, one-twelfth of the principal due on the next date on which such principal is due, and

(iii) on the date on which any principal of, premium, if any or interest on any Series 2021B Bond is payable, an amount sufficient to cause the amount available in the Series 2021B Principal

Account or the Series 2021B Interest Account of the Bond Fund for payment of such amounts to equal the amount due with respect to such Series 2021B Bond on such date.

Section 5.3. Credits. Any amount in any of Principal Account or the Interest Account of the Bond Fund, other than transfers made from the applicable account of the Reserve Fund, at the close of business of the Bond Trustee on the day immediately preceding any payment date on the Series 2021 Notes in excess of the aggregate amount then required to be contained in such Accounts of the Bond Fund pursuant to Section 5.2 hereof shall be credited as applicable against the payments due by the Obligor on such next succeeding principal or interest payment date on the Series 2021 Notes.

In the event that all (and only all) of the Series 2021 Bonds then Outstanding are called for redemption, any amounts contained in the Reserve Fund and the Bond Fund at the close of business of the Bond Trustee on the day immediately preceding such redemption date shall be credited against the payments due by the Obligor on the Series 2021 Notes.

The principal amount of Series 2021 Bonds to be applied by the Bond Trustee as a credit against any sinking fund payment pursuant to Section 5.02 of the Bond Indenture shall be credited against the obligation of the Obligor with respect to payment of installments of principal of the applicable Series 2021 Note as described in the Supplemental Indenture.

The cancellation by the Bond Trustee of any Series 2021 Bonds purchased by the Obligor or of any Series 2021 Bonds redeemed or purchased by the Issuer through funds other than funds received on the applicable Series 2021 Note shall constitute payment of a principal amount of the applicable Series 2021 Note equal to the principal amount of the Series 2021 Bonds so cancelled.

Section 5.4. Notes. Concurrently with the sale and delivery by the Issuer of the Series 2021 Bonds, the Obligor shall execute and deliver the Series 2021 Notes substantially in the form set forth in the Supplemental Indenture. Concurrently with the sale and delivery by the Issuer of any Additional Bonds, the Master Indenture shall be supplemented to reflect the issuance of the additional Notes referred to below, and to make any other changes, amendments or modifications which, in the opinion of the parties thereto, may be necessary or appropriate. Concurrently with the sale and delivery by the Issuer of any Additional Bonds, the Obligor shall execute and deliver one or more additional Notes payable to the Bond Trustee for the account of the Issuer in substantially the form set forth in a supplement to the Master Indenture. The additional Notes shall:

- (a) require payment or payments of principal, premium, and interest in amounts and at times sufficient, together with any other funds available therefor, to permit the payments of principal, premium, if any, and interest on the related Additional Bonds, taking into account any mandatory sinking fund requirements (pursuant to the Bond Indenture) which are required in respect of the related Additional Bonds, and
- (b) require each payment on the Note to be made on or before the due date for the corresponding payment to be made on the related Additional Bonds of the Issuer.

Section 5.5. Payment of Bond Trustee's and Paying Agent's Fees and Expenses. The Obligor agrees to pay the reasonable and necessary fees and expenses (including attorney's fees) of the Bond Trustee and any Paying Agents as and when the same become due, upon submission by the Bond Trustee or any Paying Agent of a statement therefor.

Section 5.6. Reserve Fund. (a) In the event any moneys in any Reserve Account in the Reserve Fund are transferred by the Bond Trustee for deposit to the Bond Fund pursuant to Section 3.10 or 3.11 of

the Bond Indenture, the Obligor agrees to deposit additional moneys into such Reserve Account of the Reserve Fund in an amount sufficient to satisfy the Reserve Fund Requirement, such amount to be deposited within five (5) Business Days of the transfer from the Reserve Fund.

(b) In the event the value of the Reserve Fund Obligations (as determined pursuant to the statement of the Bond Trustee furnished in accordance with Section 6.03(b) of the Bond Indenture) on deposit in any Reserve Account in the Reserve Fund is less than the Reserve Fund Requirement for such Reserve Account, the Obligor agrees to deposit additional Reserve Fund Obligations into such Reserve Account of the Reserve Fund in an amount sufficient to satisfy the Reserve Fund Requirement, such amount to be deposited in no more than three equal consecutive monthly installments, the first installment to be made within 30 days of such receipt of written notice from the Bond Trustee of a deficiency.

Section 5.7. Payment of Administration Expenses. In consideration of the agreement of the Issuer to issue the Bonds and loan the proceeds thereof to provide financing for the Series 2021 Project, the Obligor hereby agrees to pay any and all costs paid or incurred by the Issuer in connection with the financing or refinancing of any Project, whenever incurred, including out of pocket expenses and compensation in connection with the issuance of Bonds, including, without limitation, reasonable sums for reimbursement of the fees and expenses incurred by the Issuer's financial advisors, consultants and legal counsel in connection with the Project and the issuance of the Bonds.

Section 5.8. Payees of Payments. The payments on the Note pursuant to Section 5.2 hereof shall be paid in funds immediately available at the Payment Office of the Bond Trustee, directly to the Bond Trustee for the account of the Issuer and shall be deposited into the appropriate Account of the Bond Fund. The amounts provided for in Section 5.6 hereof shall be paid to the Bond Trustee for the account of the Issuer and shall be deposited into the Reserve Fund. The payments to be made to the Bond Trustee and the Paying Agent under Section 5.5 hereof shall be paid directly to the Bond Trustee and the Paying Agent for their own use. The payments for Administration Expenses under Section 5.7 hereof shall be paid directly to the Issuer for its own use.

Section 5.9. Obligations of Obligor Hereunder Unconditional. The obligations of the Obligor to make the payments required in Section 5.2 hereof shall be absolute and unconditional. The Obligor will not suspend or discontinue, or permit the suspension or discontinuance of, any payments provided for in Section 5.2 hereof for any cause including, without limiting the generality of the foregoing, any acts or circumstances that may constitute failure of consideration, eviction or constructive eviction, destruction of or damage to the Project, commercial frustration of purpose, any change in the tax or other laws or administrative rulings of or administrative actions by the United States of America or the State of Texas or any political subdivision of either, or any failure of the Issuer to perform and observe any agreement, whether express or implied, or any duty, liability, or obligation arising out of or connected with this Agreement, whether express or implied. Nothing contained in this Section shall be construed to release the Issuer from the performance of any agreements on its part herein contained; and in the event the Issuer shall fail to perform any such agreement, the Obligor may institute such action against the Issuer as the Obligor may deem necessary to compel performance, provided that no such action shall violate the agreements on the part of the Obligor contained herein and the Issuer shall not be required to pay any costs, expenses, damages or any amounts of whatever nature except for amounts received pursuant to this Agreement. Nothing herein shall be construed to impair the Obligor's right to institute an independent action for any claim that it may have against the Issuer, the Bond Trustee, any Bondholder or any other third party. The Obligor may, however, at its own cost and expense and in its own name or in the name of the Issuer, prosecute or defend any action or proceedings or take any other action involving third persons which the Obligor deems reasonably necessary in order to secure or protect this right of possession, occupancy, and use hereunder, and in such event the Issuer hereby agrees to cooperate fully with the Obligor.

ARTICLE VI

Maintenance and Insurance

Section 6.1. Maintenance and Modifications of Projects by Obligor. The Obligor may, at its own expense, cause to be made from time to time any additions, modifications or improvements to any Project provided such additions, modifications or improvements do not impair the character of such Project as a “health facility” within the meaning of the Health Facility Act or impair the extent of the exemption of interest on the Tax Exempt Bonds from Federal income taxation.

Section 6.2. Insurance. Throughout the term of this Agreement, the Obligor will, at its own expense, provide or cause to be provided insurance against loss or damage to the Project in accordance with the terms of the Master Indenture. The Bond Trustee shall not be liable or responsible for the failure of the Obligor to maintain insurance on any Project or otherwise, nor shall it be responsible for any loss due to the insufficiency of such insurance or by reason of the failure of any insurer to pay the full amount of any loss against which it may have insured to the Obligor, the Bond Trustee or any other Person.

ARTICLE VII

Special Covenants

Section 7.1. No Warranty of Merchantability, Condition or Suitability by the Issuer. The Issuer makes no warranty, either express or implied, as to the condition of any Project or that any Project will be suitable for the Obligor's purposes or needs. Without limiting the effect of the preceding sentence, it is expressly agreed that in connection with each sale or conveyance pursuant to this Agreement the Issuer makes NO WARRANTY OF MERCHANTABILITY.

Section 7.2. Right of Access to each Project. The Obligor agrees that the Issuer, the Bond Trustee, and any of their duly authorized agents shall have the right at all reasonable times upon reasonable notice to the Obligor to examine and inspect any Project to determine that the Obligor is in compliance with the terms and conditions of this Agreement; provided that any such inspection will be conducted in a manner that will minimize any intrusion on the operations of any Project. The Bond Trustee shall have no duty to inspect any Project.

Section 7.3. Nonsectarian Use. The Obligor agrees that no proceeds of the Bonds will be used to construct, acquire or install any portion of any Project which is intended to be used or which is being used for sectarian purposes.

Section 7.4. Further Assurances. The Issuer and the Obligor agree that they will, from time to time, execute, acknowledge, and deliver, or cause to be executed, acknowledged, and delivered, such supplements hereto and such further instruments as may reasonably be required for carrying out the intention of or facilitating the performance of this Agreement.

Section 7.5. **INDEMNIFICATION.** (a) **THE OBLIGOR AGREES THAT IT WILL AT ALL TIMES INDEMNIFY AND HOLD HARMLESS EACH OF THE INDEMNIFIED PARTIES AGAINST ANY AND ALL LOSSES OR CLAIMS, INCLUDING LOSSES AS A RESULT OF THE NEGLIGENT ACTS OR OMISSIONS OF ANY INDEMNIFIED PARTY, OTHER THAN LOSSES RESULTING FROM FRAUD, WILLFUL MISCONDUCT OR THEFT ON THE PART OF THE INDEMNIFIED PARTY CLAIMING INDEMNIFICATION. THE OBLIGOR ALSO SHALL INDEMNIFY THE BOND TRUSTEE AND ITS OFFICERS, DIRECTORS, EMPLOYEES, AFFILIATES AND AGENTS FOR, AND DEFEND AND HOLD THEM HARMLESS AGAINST, ANY LOSS, LIABILITY, CLAIMS OR DEMANDS OR EXPENSES (INCLUDING ATTORNEYS FEES) INCURRED WITHOUT GROSS NEGLIGENCE OR BAD FAITH ON ITS PART, ARISING OUT OF OR IN CONNECTION WITH THE ACCEPTANCE OR ADMINISTRATION OF THE TRUST CREATED UNDER THE BOND INDENTURE OR THE PERFORMANCE OF ITS DUTIES UNDER THE BOND INDENTURE, INCLUDING THE COSTS AND EXPENSES OF DEFENDING ITSELF AGAINST ANY CLAIM OR LIABILITY (WHETHER ASSERTED BY THE OBLIGOR, ANY OWNER, OR ANY OTHER PERSON) IN CONNECTION WITH THE EXERCISE OR PERFORMANCE OF ANY OF ITS POWERS OR DUTIES UNDER THE BOND INDENTURE. THE BOND TRUSTEE MAY ENFORCE ITS RIGHTS UNDER THE PRECEDING SENTENCE AS A THIRD PARTY BENEFICIARY OF THIS AGREEMENT.**

(b) **NONE OF THE INDEMNIFIED PERSONS SHALL BE LIABLE TO THE OBLIGOR FOR, AND THE OBLIGOR HEREBY RELEASES EACH OF THEM FROM, ALL LIABILITY TO THE OBLIGOR FOR, ALL INJURIES, DAMAGES OR DESTRUCTION TO ALL OR ANY PART OF ANY PROPERTY OWNED OR CLAIMED BY THE OBLIGOR THAT DIRECTLY OR INDIRECTLY RESULT FROM, ARISE OUT OF OR RELATE TO THE DESIGN,**

CONSTRUCTION, OPERATION, USE, OCCUPANCY, MAINTENANCE OR OWNERSHIP OF THE PROJECT OR ANY PART THEREOF, EVEN IF SUCH INJURIES, DAMAGES OR DESTRUCTION DIRECTLY OR INDIRECTLY RESULT FROM, ARISE OUT OF OR RELATE TO, IN WHOLE OR IN PART, ONE OR MORE ACTS OR OMISSIONS, INCLUDING ACTS OR OMISSIONS CONSTITUTING NEGLIGENCE ON THE PART OF ANY INDEMNIFIED PERSON (BUT NOT INCLUDING ACTS OR OMISSIONS CONSTITUTING FRAUD, WILLFUL MISCONDUCT OR THEFT ON THE PART OF THE INDEMNIFIED PARTY CLAIMING RELEASE) IN CONNECTION WITH THE ISSUANCE OF ANY SERIES OF THE BONDS OR IN CONNECTION WITH ANY PROJECT.

(c) Each Indemnified Person, as appropriate, shall reimburse the Obligor for payments made by the Obligor pursuant to this Section to the extent of any proceeds, net of all expenses of collection, actually received by it from any other source (but not from the proceeds of any claim against any other Indemnified Person) with respect to any Loss to the extent necessary to prevent a recovery of more than the Loss by such Indemnified Person with respect to such Loss. At the request and expense of the Obligor, each Indemnified Person shall claim or prosecute any such rights of recovery from other sources (other than any claim against another Indemnified Person) and such Indemnified Person shall assign its rights to such rights of recovery from other sources (other than any claim against another Indemnified Person), to the extent of such required reimbursement, to the Obligor.

(d) In case any Claim shall be brought or, to the knowledge of any Indemnified Person, threatened against any Indemnified Person in respect of which indemnity may be sought against the Obligor, such Indemnified Person promptly shall notify the Obligor in writing; provided, however, that any failure so to notify shall not relieve the Obligor of its obligations under this Section.

(e) The Obligor shall have the right to assume the investigation and defense of all Claims, including the employment of counsel and the payment of all expenses. Each Indemnified Person shall have the right to employ separate counsel in any such action and participate in the investigation and defense thereof, but the fees and expenses of such counsel shall be paid by such Indemnified Person unless (i) the employment of such counsel has been specifically authorized by the Obligor, in writing, (ii) the Obligor has failed after receipt of notice of such Claim to assume the defense and to employ counsel, or (iii) the named parties to any such action (including any impleaded parties) include both an Indemnified Person and the Obligor, and the Indemnified Person shall have been advised by counsel that there may be one or more legal defenses available to it which are different from or additional to those available to the Obligor (in which case, if such Indemnified Person notifies the Obligor in writing that it elects to employ separate counsel at the Obligor's expense, the Obligor shall not have the right to assume the defense of the action on behalf of such Indemnified Person; provided, however, that the Obligor shall not, in connection with any one action or separate but substantially similar or related actions in the same jurisdiction arising out of the same general allegation or circumstances, be liable for the reasonable fees and expenses of more than one separate firm of attorneys for the Indemnified Persons, which firm shall be designated in writing by the Indemnified Persons).

(f) Each Indemnified Person shall cooperate with the Obligor, and the Obligor shall cooperate with each Indemnified Person, in the defense of any action or Claim. The Obligor shall not be liable for any settlement of any action or Claim without the Obligor's consent but, if any such action or Claim is settled with the consent of the Obligor or there be final judgment for the plaintiff in any such action or with respect to any such Claim, the Obligor shall indemnify and hold harmless the Indemnified Persons from and against any Loss by reason of such settlement or judgment to the extent provided in Subsection (a).

(g) The provisions of this Section shall survive the termination of this Agreement, and the obligations of the Obligor hereunder shall apply to Losses or Claims under Subsection (a) whether asserted prior to or

after the termination of this Agreement. In the event of failure by the Obligor to observe the covenants, conditions and agreements contained in this Section, any Indemnified Person may take any action at law or in equity to collect amounts then due and thereafter to become due, or to enforce performance and observance of any obligation, agreement or covenant of the Obligor under this Section. The obligations of the Obligor under this Section shall not be affected by any assignment or other transfer by the Issuer of its rights, titles or interests under this Agreement to the Bond Trustee pursuant to the Bond Indenture and will continue to inure to the benefit of the Indemnified Persons after any such transfer. The provisions of this Section shall be cumulative with and in addition to any other agreement by the Obligor to indemnify any Indemnified Person.

(h) The following terms have the meanings assigned to them below whenever they are used in this Agreement:

“Claims” shall mean all claims, lawsuits, causes of action and other legal actions and proceedings of whatever nature brought against (whether by way of direct action, counter claim, cross action or impleader) any Indemnified Person, even if groundless, false, or fraudulent, so long as the claim, lawsuit, cause of action or other legal action or proceeding is alleged or determined, directly or indirectly, to arise out of, to result from, to relate to or to be based upon, in whole or in part: (a) the issuance of the Bonds, (b) the duties, activities, acts or omissions (EVEN IF NEGLIGENT) of any Person in connection with the issuance of the Bonds, or the obligations of the various parties arising under the Bond Indenture, this Agreement or the Master Indenture, or (c) the duties, activities, acts or omissions (EVEN IF NEGLIGENT) of any Person in connection with the design, construction, installation, operation, use, occupancy, maintenance or ownership of the Project or any part thereof.

“Indemnified Party” shall mean one or more of the Issuer, Town of New Hope, Texas and any of their respective officers, directors, commissioners, officials, consultants, agents, servants and employees, and any successor to any of such Persons.

“Indemnified Persons” means the Indemnified Parties and the Bond Trustee.

“Losses” means losses, costs, damages, expenses, judgments, and liabilities of whatever nature (including, but not limited to, reasonable attorney's, accountant's and other professional's fees, litigation and court costs and expenses, amounts paid in settlement and amounts paid to discharge judgments and amounts payable by an Indemnified Persons to any other Person under any arrangement providing for indemnification of that Person) directly or indirectly resulting from arising out of or relating to one or more Claims.

Section 7.6. Authority of Obligor. Whenever under the provisions of this Agreement the approval of the Obligor is required, or the Issuer or the Bond Trustee are required to take some action at the request of the Obligor, such approval or such request shall be made by the Obligor unless otherwise specified in this Agreement and the Issuer or the Bond Trustee shall be authorized to act on any such approval or request and the Obligor shall have no complaint against the Issuer or the Bond Trustee as a result of any action taken.

Section 7.7. Authority of Issuer Representative. Whenever under the provisions of this Agreement the approval of the Issuer or the Bond Trustee are required, or the Obligor is required to take some action at the request of the Issuer, such approval or such request shall be made by the Issuer Representative unless otherwise specified in this Agreement and the Obligor or the Bond Trustee shall be authorized to act on any such approval or request and the Issuer shall have no complaint against the Obligor or the Bond Trustee as a result of any such action taken.

Section 7.8. No Personal Liability. No obligations contained in the Bonds, the Bond Indenture or this Agreement shall be deemed to be the obligations of any officer, director, council member, trustee, agent or employee of the Issuer, the Bond Trustee, the Obligor or the Town of New Hope, Texas, in his or her individual capacity, and neither the Board of Directors, the governing body of the Obligor, the Bond Trustee or the Town of New Hope, Texas, any official of the Issuer or the Town of New Hope, Texas nor any official of the Issuer executing the Bonds, the Bond Indenture or this Agreement shall be liable personally thereon or be subject to any personal liability or accountability with respect thereto.

Section 7.9. Fees and Expenses. The Obligor agrees to pay promptly upon demand therefor all costs paid, incurred or charged by the Issuer in connection with the Bonds, including without limitation, (i) all fees required to be paid to the Issuer with respect to the Bonds, (ii) all out of pocket expenses and Cost of Issuance (including reasonable fees and expenses of attorneys employed by the Issuer) reasonably incurred by the Issuer in connection with the issuance of the Bonds and (iii) all out of pocket expenses (including reasonable fees and expenses of attorneys employed by the Issuer) reasonably incurred by the Issuer in connection with the enforcement of any of its rights or remedies or the performance of its duties under the Bond Indenture or this Agreement.

ARTICLE VIII

Assignment and Leasing

Section 8.1. Assignment and Leasing by Obligor. This Agreement may be not be assigned, and no portion of any Project may be leased by the Obligor, except in compliance with provisions of the Master Indenture.

Section 8.2. Assignment and Pledge by Issuer. Solely pursuant to the Bond Indenture, the Issuer may assign its interest in and pledge any moneys receivable under the Notes and this Agreement (except in respect of certain rights to indemnification and for Administration Expenses, indemnification and payment of attorneys' fees and expenses pursuant to Sections 5.7, 7.5, 7.9 and 9.5 hereof) to the Bond Trustee as security for payment of the principal of, premium, if any, and interest on the Bonds. The Obligor consents to such assignment and pledge.

ARTICLE IX

Events of Default and Remedies Therefor

Section 9.1. Events of Default. The occurrence and continuance of any of the following events shall constitute an “event of default hereunder:

- (a) failure of the Obligor to pay any monthly installment of principal, interest or premium on the Notes or any other payment required by Section 5.2 hereof when the same shall become due and payable; or
- (b) any transfer of amounts from an account of the Reserve Fund to the Bond Fund as a result of a deficiency therein; or
- (c) failure by the Obligor to perform or comply with any of the covenants, conditions or provisions hereof and failure to remedy such default within 30 days after notice thereof from the Issuer to the Obligor; *provided, however*, that, if in the judgment of the Bond Trustee such default cannot with due diligence and dispatch be wholly cured within 30 days but can be wholly cured, the failure of the Obligor to remedy such default within such 30-day period shall not constitute a default hereunder if the Obligor shall immediately upon receipt of such notice commence with due diligence and dispatch the curing of such default and, having so commenced the curing of such default, shall thereafter prosecute and complete the same with due diligence and dispatch and such default shall be cured within 60 days of notice; or
- (d) if any representation or warranty made by the Obligor herein or in any statement or certificate furnished to the Issuer or the Bond Trustee pursuant hereto, proves untrue in any material respect as of the date of the issuance or making thereof; or
- (e) any event of default shall occur under the Master Indenture, the Bond Indenture or any other Bond Document.

Section 9.2. Remedies for Failure to Perform. Upon the occurrence of an Event of Default, the Issuer or the Bond Trustee, as assignee or successor of the Issuer, upon compliance with all applicable law, in its discretion may take any one or more of the following steps:

- (a) by mandamus, or other suit, action or proceeding at law or in equity, enforce all rights of the Issuer, and require the Obligor to carry out any agreements with or for the benefit of the Bondholders and to enforce performance and observance of any duty, obligation, agreement or covenant of the Obligor under the Act or this Agreement; or
- (b) by action or suit in equity require the Obligor to account as if it were the trustee of an express trust for the Issuer; or
- (c) by action or suit in equity enjoin any acts or things which may be unlawful or in violation of the rights of the Issuer; or
- (d) upon the filing of a suit or other commencement of judicial proceedings to enforce the rights of the Bond Trustee and the Bondholders, have appointed a receiver or receivers of the Trust Estate upon a showing of good cause with such powers as the court making such appointment may confer.

Section 9.3. Discontinuance of Proceedings. In case any proceeding taken by the Issuer or the Bond

Trustee on account of any failure to perform under Section 9.1 shall have been discontinued or abandoned for any reason, or shall have been determined adversely to the Issuer or the Bond Trustee, then and in every case the Issuer and the Bond Trustee shall be restored to their former positions and rights hereunder, respectively, and all rights, remedies and powers of the Issuer and the Bond Trustee shall continue as though no such proceeding had been taken.

Section 9.4. No Remedy Exclusive. No remedy herein conferred upon or reserved to the Issuer or the Bond Trustee is intended to be exclusive of any other available remedy or remedies, but each and every such remedy shall be cumulative and shall be in addition to every other remedy given under this Agreement or now or hereafter existing at law or in equity or by statute. No delay or omission to exercise any right or power accruing upon any default shall impair any such right or power or shall be construed to be a waiver thereof, but any such right or power may be exercised from time to time and as often as may be deemed expedient. In order to entitle the Issuer or the Bond Trustee to exercise any remedy reserved to it in this Article, it shall not be necessary to give any notice, other than notice required in Section 9.1 hereof. Such rights and remedies given the Issuer hereunder shall also extend to the Bond Trustee and the Owners of the Bonds, subject to the Bond Indenture.

Section 9.5. Agreement to Pay Attorneys' Fees and Expenses. In the event the Issuer or the Bond Trustee should employ attorneys or incur other expenses for the enforcement of performance or observance of any obligation or agreement on the part of the Obligor herein or in the Bond Indenture contained, the Obligor agrees that it will on demand therefor pay to the Issuer or the Bond Trustee, as the case may be, the reasonable fee of such attorneys and such other reasonable expenses incurred by the Issuer or the Bond Trustee.

Section 9.6. Waivers. In the event any agreement contained in this Agreement should be breached by any party and thereafter waived by the other parties, such waiver shall be limited to the particular breach waived and shall not be deemed to waive any other breach hereunder. In view of the assignment of the Issuer's rights in and under this Agreement to the Bond Trustee under the Bond Indenture, the Issuer shall have no power to waive any failure to perform under Section 9.1 hereunder without the consent of the Bond Trustee (other than a failure to observe the covenants contained in Section 4.9 hereof, which may be waived by the Issuer without the consent of the Bond Trustee).

Section 9.7. Indenture-Held Funds. The Obligor hereby acknowledges and agrees that all amounts on deposit with the Bond Trustee under the Bond Indenture are held in trust for the benefit of the owners of the Bonds and the Obligor has no right, title or interest in such funds (collectively, the "Trustee Held Funds"). The Obligor further hereby acknowledges and agrees that the Trustee Held Funds are not, in the event of a Obligor bankruptcy, "property of the debtor's estate" under 11 U.S.C. § 541, are not protected by the automatic stay under 11 U.S.C. § 362, and are not "cash collateral" under 11 U.S.C. § 363.

ARTICLE X

Prepayment of Notes

Section 10.1. General Option to Prepay Notes. The Obligor shall have and is hereby granted the option exercisable at any time to prepay all or any portion of its payments due or to become due on the Notes by depositing with the Bond Trustee for payment into the Bond Fund an amount of money or Government Obligations the principal and interest on which when due, will be equal to an amount sufficient to pay the principal of, premium, if any, and interest on any portion of the Bonds then Outstanding under the Bond Indenture, without penalty. The exercise of the option granted by this Section shall not be cause for redemption of Bonds unless such redemption is permitted at that time under the provisions of the Bond Indenture and the Obligor specifies the date for such redemption. In the event the Obligor prepays all of its payments due and to become due on the Notes by exercising the option granted by this Section and upon payment of all reasonable and necessary fees and expenses of the Bond Trustee, the Issuer and any Paying Agent accrued and to accrue through final payment of the Bonds called for redemption as a result of such prepayment and of all Administration Expenses through final payment of the Bonds called for redemption as a result of such prepayment, this Agreement shall terminate; provided that no such termination shall occur unless all of the Bonds are no longer Outstanding.

ARTICLE XI

Miscellaneous

Section 11.1. Notices. Any notice, request or other communication under this Agreement shall be given in writing and shall be deemed to have been given by any party to the other parties at the addresses shown below upon any of the following dates:

- (a) The date of notice by telefax, telecopy, or similar telecommunications, which is confirmed promptly in writing;
- (b) Three Business Days after the date of the mailing thereof, as shown by the post office receipt if mailed to the other party hereto by registered or certified mail;
- (c) The date of the receipt thereof by such other parties if not given pursuant to (a) or (b) above.

The address for notice for each of the parties shall be as follows:

Issuer:

New Hope Cultural Education Facilities Finance Corporation
c/o James W. Wilson & Associates, PLLC
103 W. Main Street
Allen, Texas 75013
Telephone: (972) 727-9904
Telecopier No.: (972) 755-0904
Attention: Maria Huynh
Email: mhuynh@jww-law.com

with copy to:

McCall, Parkhurst & Horton L.L.P.
717 North Harwood
9th Floor
Dallas, Texas 75201
Attention: L. E. (Ted) Brizzolara, III
Telephone: (214) 754-9233
Email: tbrizzolara@mphlegal.com

Obligor:

Buckingham Senior Living Community, Inc.
8580 Woodway
Houston, Texas 77063
Attention: Chair
Telephone: (917) 553-5883
Email: mwyse@wyseadvisorssl.com

with a copy to:

Holland & Knight LLP

One Arts Plaza
1772 Routh Street
Suite 1500
Dallas, Texas 75201
Telephone: (214) 969-1508
Email: david.rosenberg@hkllaw.com
Attention: David M. Rosenberg

Bond Trustee:

UMB Bank, N.A.
[TBD]
Attention:
Telephone:
Email:

with a copy to:

Mintz Levin Cohn Ferris Glovsky and Popeo, P.C.
One Financial Center
Boston, Massachusetts 02111
Telephone: (617) 542-6000
Email: ppatidar@mintz.com
Attention: Poonam Patidar

(d) In addition to the foregoing, the Bond Trustee shall have the right to accept and act upon instructions, including funds transfer instructions (“Instructions”) given pursuant to this Agreement and delivered using Electronic Means (“Electronic Means” means the following communications methods: e-mail, facsimile transmission, secure electronic transmission containing applicable authorization codes, passwords and/or authentication keys issued by the Bond Trustee, or another method or system specified by the Bond Trustee as available for use in connection with its services hereunder); provided, however, that the Issuer and Obligor shall provide to the Bond Trustee an incumbency certificate listing officers with the authority to provide such Instructions (“Authorized Officers”) and containing specimen signatures of such Authorized Officers, which incumbency certificate shall be amended by the Issuer and Obligor whenever a person is to be added or deleted from the listing. If the Issuer and Obligor elects to give the Bond Trustee Instructions using Electronic Means and the Bond Trustee in its discretion elects to act upon such Instructions, the Bond Trustee’s understanding of such Instructions shall be deemed controlling. The Issuer and Obligor each understands and agrees that the Bond Trustee cannot determine the identity of the actual sender of such Instructions and that the Bond Trustee shall conclusively presume that directions that purport to have been sent by an Authorized Officer listed on the incumbency certificate provided to the Bond Trustee have been sent by such Authorized Officer. The Issuer and Obligor each shall be responsible for ensuring that only Authorized Officers transmit such Instructions to the Bond Trustee and the Issuer and Obligor and all Authorized Officers are solely responsible to safeguard the use and confidentiality of applicable user and authorization codes, passwords and/or authentication keys upon receipt by the Issuer and Obligor. The Bond Trustee shall not be liable for any losses, costs or expenses arising directly or indirectly from the Bond Trustee’s reliance upon and compliance with such Instructions notwithstanding such directions conflict or are inconsistent with a subsequent written instruction. The Issuer and Obligor each agrees: (i) to assume all risks arising out of the use of Electronic Means to submit Instructions to the Bond Trustee, including without limitation the risk of the Bond Trustee acting on unauthorized Instructions, and the risk of interception and misuse by third parties; (ii) that it is fully informed of the protections and risks associated with the various methods

of transmitting Instructions to the Bond Trustee and that there may be more secure methods of transmitting Instructions than the method(s) selected by the Issuer and Obligor; (iii) that the security procedures (if any) to be followed in connection with its transmission of Instructions provide to them a commercially reasonable degree of protection in light of its particular needs and circumstances; and (iv) to notify the Bond Trustee immediately upon learning of any compromise or unauthorized use of the security procedures.

(e) Notwithstanding the foregoing, notices to the Bond Trustee shall be effective only upon receipt.

Section 11.2. Binding Effect. This Agreement shall inure to the benefit of and shall be binding upon the Issuer, the Obligor, and their respective successors and assigns, subject, however, to the limitations contained in Sections 8.1, 8.2 and 11.9 hereof.

Section 11.3. Severability. In the event any provision of this Agreement shall be held invalid or unenforceable by any court of competent jurisdiction, such holding shall not invalidate or render unenforceable any other provision hereof.

Section 11.4. Amounts Remaining in Funds. It is agreed by the parties hereto that any amounts remaining in the Bond Fund, the Reserve Fund and any Construction Fund upon expiration or sooner termination of this Agreement, after payment in full of the Bonds (or provision for payment thereof having been made in accordance with the provisions of the Bond Indenture), the fees, charges, and expenses of the Bond Trustee, the Issuer and the Paying Agent in accordance with the Bond Indenture, the Administration Expenses and all other amounts required to be paid under this Agreement and the Bond Indenture, shall belong to and be paid to the Obligor by the Bond Trustee or the Issuer.

Section 11.5. Amendments, Changes, and Modifications. Except as otherwise provided in this Agreement or in the Bond Indenture, subsequent to the initial issuance of Bonds and prior to their payment in full (or provision for the payment thereof having been made in accordance with the provisions of the Bond Indenture), this Agreement may not be effectively amended, changed, modified, altered, or terminated without the written consent of the Bond Trustee.

Section 11.6. Execution in Counterparts. This Agreement may be executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument.

Section 11.7. Payment. At such time as the principal of, premium, if any, and interest on all Bonds Outstanding under the Bond Indenture shall have been paid, or shall be deemed to be paid, in accordance with the Bond Indenture, and all other sums payable by the Obligor under this Agreement shall have been paid, the Notes shall be deemed to be fully paid and shall be delivered by the Bond Trustee to the Obligor.

Section 11.8. Governing Law. This Agreement shall be governed and construed in accordance with the law of the State of Texas.

Section 11.9. No Pecuniary Liability of Issuer. No provision, covenant, or agreement contained in this Agreement, or any obligations herein imposed upon the Issuer, or the breach thereof, shall constitute an indebtedness of the Issuer within the meaning of any Texas constitutional provision or statutory limitation or shall constitute or give rise to a pecuniary liability of the Issuer or a charge against its general credit. In making the agreements, provisions, and covenants set forth in this Agreement, the Issuer has not obligated itself except with respect to the application of the revenues, income, and all other property therefrom, as hereinabove provided.

Section 11.10. Payments Due on Holidays. If the date for making any payment or the last date for

performance of any act or the exercising of any right, as provided in this Agreement, shall be a legal holiday or a day on which banking institutions in Dallas, Texas are authorized by law to remain closed, such payment may be made or act performed or right exercised on the next succeeding day not a legal holiday or a day on which such banking institutions are authorized by law to remain closed with the same force and effect as if done on the nominal date provided in this Agreement.

Section 11.11. No Individual Liability. No covenant or agreement contained in this Agreement or the Bond Indenture shall be deemed to be the covenant or agreement of any member of the Board of Directors or the governing body of the Obligor or the Bond Trustee or of any officer, director, trustee, agent or employee of the Issuer, the Bond Trustee or the Obligor or the governing body of Tarrant County, Texas, in his or her individual capacity, and none of such persons shall be subject to any personal liability or accountability by reason of the execution hereof, whether by virtue of any constitution, statute or rule of law, or by the enforcement or any assessment or penalty, or otherwise.

Section 11.12. Survival of Covenants. All covenants, agreements, representations and warranties made by the Obligor in this Agreement, the Bond Indenture, the Notes and the Bonds, and in any certificates or other documents or instruments delivered pursuant to this Agreement or the Bond Indenture, shall survive the execution and delivery of this Agreement, and the Bond Indenture and the Notes and shall continue in full force and effect until the Bonds and the Notes are paid in full and all of the Obligor's other payment obligations (including without limitation the indemnification obligation under Section 7.5 and the obligations under Sections 5.5, 5.7 and 9.5 hereof) under this Agreement, the Bond Indenture, the Notes and the Bonds are satisfied. All such covenants, agreements, representations and warranties shall be binding upon any successor and assigns of the Obligor.

IN WITNESS WHEREOF, the Issuer and the Obligor have caused this Agreement to be executed in their respective corporate names, all as of the date first above written.

NEW HOPE CULTURAL EDUCATION
FACILITIES FINANCE CORPORATION

By: _____
President

BUCKINGHAM SENIOR LIVING COMMUNITY, INC.

By: _____
President

EXHIBIT A

SERIES 2021 PROJECT DESCRIPTION

The Series 2021 Project consists of financing and refinancing of a continuing care retirement community known as The Buckingham located at 8580 Woodway Drive, Houston, Texas 77063, consisting of (a) the facility site, (b) residential independent living units, assisted living units, skilled nursing beds, and specialty care (dementia) beds, and (c) attendant common areas located on the facility site.

The Series 2021A-1 Project that is a part of the Series 2021 Project consists of financing the cost of the Lobby Refurbishment and Classic Unit Refresh described in Section 4.4 of the Loan Agreement.

EXHIBIT B

FORM OF DISBURSEMENTS

Number ____

UMB Bank, N.A.

Re: New Hope Cultural Education Facilities Finance Corporation Retirement Facility
Revenue Bonds (Buckingham Senior Living Community, Inc. Project) Series 2021

Gentlemen:

This request for disbursement is submitted to you pursuant to Article IV of the Loan Agreement dated as of November 1, 2021 (the "Loan Agreement") between New Hope Cultural Education Facilities Finance Corporation and Buckingham Senior Living Community, Inc. (the "Obligor"). You are hereby requested to make the following disbursements from the Construction Fund for the payment of Costs related to the Series 2021A-1 Project, as defined and provided in the Loan Agreement.

1. See attached Exhibit A

In connection with such request, it is certified that:

1. The payments to be financed with this disbursement have been made for Costs of the Series 2021A-1 Project and have not been the subject of a prior requisition. Such amounts are not for the reimbursement of internal advances.
2. There has been no default by the Obligor under the Loan Agreement, Master Indenture or the Series 2021 Notes.
3. The payments to be financed with this disbursement when added to prior disbursements, if any, result in at least 95 percent of the proceeds being used to provide property used in the related trade or business of an organization described in section 501(c)(3) of the Code.
4. Amounts in the Construction Fund are sufficient to complete the Series 2021A-1 Project and the Series 2021A-1 Project will be completed by the completion date set forth in the Loan Agreement.

BUCKINGHAM SENIOR LIVING
COMMUNITY, INC.

By: _____
Authorized Representative

Date: _____

EXHIBIT C

FORM FOR COST OF ISSUANCE DISBURSEMENT

NO. _____

[UMB BANK, N.A.

Re: New Hope Cultural Education Facilities Finance Corporation Retirement Facility
Revenue Bonds (Buckingham Senior Living Community, Inc. Project) Series 2021

Gentlemen:

This request for disbursement is submitted to you pursuant to Section 4.7 of the Loan Agreement (the “Loan Agreement”) dated as of November 1, 2021, between New Hope Cultural Education Facilities Finance Corporation and Buckingham Senior Living Community, Inc. (the “Obligor”) relating to the captioned Bonds. You are hereby requested to make the following disbursements from the Cost of Issuance Fund for the payment of Cost of Issuance referred to below, as defined and provided in the Loan Agreement.

1. (List payments to be made)
- 2.
- 3.

Date: _____

BUCKINGHAM SENIOR LIVING COMMUNITY, INC.,
as Obligor

By: _____
Authorized Representative

**AMENDED AND RESTATED MASTER TRUST INDENTURE,
DEED OF TRUST AND SECURITY AGREEMENT**

THIS AMENDED AND RESTATED MASTER TRUST INDENTURE, DEED OF TRUST AND SECURITY AGREEMENT, dated as of November 1, 2021 (this “Master Indenture”), between BUCKINGHAM SENIOR LIVING COMMUNITY, INC., a Texas nonprofit corporation, as the obligor and the initial Obligated Group Member (the “Obligor”), and UMB BANK, N.A., as successor Master Trustee (the “Master Trustee”), amends and restates the Master Trust Indenture, Deed of Trust and Security Agreement dated as of July 1, 2007, as supplemented (the “Original Master Indenture”), between the Obligor and the Master Trustee.

W I T N E S S E T H:

WHEREAS, the Obligor was authorized and deemed it necessary and desirable to enter into the Original Master Indenture for the purpose of providing for the issuance from time to time by the Obligor or other Persons electing to become Obligated Group Members (as defined herein) of Obligations (as defined herein) to finance or refinance the acquisition or betterment of health care facilities or other facilities, or for other lawful and proper purposes; and

WHEREAS, the Obligor has filed a voluntary plan of reorganization (the “Plan”) under Chapter 11 of the United States Bankruptcy Code with the United States Bankruptcy Court for the Southern District of Texas (the “Bankruptcy Court”); and

WHEREAS, the Plan contemplates, among other matters, the amendment and restatement of the Original Master Indenture by this Master Indenture as of the effective date (the “Effective Date”) of the Plan, and the Bankruptcy Court has entered its order (the “Bankruptcy Court Order”) approving the Plan and, among other things, approving the amendment and restatement of the Original Master Indenture by this Master Indenture, which Bankruptcy Court Order supersedes, with respect to the amendment effected by this Master Indenture, anything in Section 9.02 of the Original Master Indenture limiting in any respect the ability of the Holders of the Obligations to amend the Original Master Indenture; and

WHEREAS, the Original Master Indenture granted a deed of trust lien on the real property described on Exhibit A thereto, which Original Master Indenture was filed in the Real Property Records of Harris County, Texas on _____, recorded in _____, which deed of trust lien on the Premises described on Exhibit A hereto is hereby renewed and extended for all purposes and all obligations and ratified and confirmed in all respects; and

WHEREAS, the Obligor entered into that certain Deed of Trust and Security Agreement dated as of September 1, 2014, as modified (the “Original Deed of Trust”) pursuant to which the Obligor pledged a lien on the real property described on Exhibit A thereto as security for Obligations issued under the Original Master Indenture, which Original Deed of Trust was filed in the Real Property Records of Harris County, Texas on _____, recorded in _____, which deed of trust lien is hereby incorporated into this Amended and

Restated Master Indenture, and which deed of trust lien on the Premises described on Exhibit A hereto is hereby renewed and extended for all purposes and all obligations and ratified and confirmed in all respects; and

WHEREAS, all acts and things necessary to constitute this Master Indenture a valid indenture and agreement according to its terms have been done and performed, the Obligor has duly authorized the execution and delivery of this Master Indenture, and the Obligor, in the exercise of the legal right and power invested in it, executes this Master Indenture and proposes to make, execute, issue and deliver Obligations hereunder; and

WHEREAS, the Master Trustee agrees to accept and administer the trusts created hereby,

GRANTING CLAUSES

NOW, THEREFORE, THIS MASTER INDENTURE WITNESSETH, that, to secure the payment of the principal of (and premium, if any) and interest on the Outstanding Obligations (hereinafter defined) and the performance of the covenants therein and herein contained and to declare the terms and conditions on which the Outstanding Obligations are secured, and in consideration of the premises, of the purchase of the Obligations by the Holders thereof, and of the sum of One Dollar (\$1.00) to the Obligated Group Members in hand paid by the Master Trustee at or before the execution and delivery hereof, the receipt and sufficiency of which are hereby acknowledged, the Obligated Group Members by these presents do hereby grant, bargain, sell, alien, remise, release, convey, assign, transfer, mortgage, hypothecate, pledge, set over, and confirm to the Master Trustee, forever, all and singular the following described properties, and grant a security interest therein for the purposes herein expressed, to wit:

GRANTING CLAUSE FIRST

All revenue, accounts receivable, and Gross Revenues of the Obligated Group Members, including without limitation rights to receive payments from third party payors such as Medicare and Medicaid, but except and excluding all such items, whether now owned or hereafter acquired by the Obligated Group Members, which by their terms or by reason of applicable law would become void or voidable if granted, assigned, or pledged hereunder by the Obligated Group Members, or which cannot be granted, pledged, or assigned hereunder without the consent of other parties whose consent is not secured, or without subjecting the Master Trustee to a liability not otherwise contemplated by the provisions hereof, or which otherwise may not be, or are not, hereby lawfully and effectively granted, pledged, and assigned by the Obligated Group Members, provided that the Obligated Group Members may subject to the lien hereof any such excepted property, whereupon the same shall cease to be excepted property; and

GRANTING CLAUSE SECOND

The land described on Exhibit "A" hereto (the "Premises") and incorporated herein for all purposes, including, without limitation, all buildings, structures, fixtures, additions, enlargements, extensions, improvements, modifications or repairs now or hereafter located thereon or therein and with the rights, easements, tenements, hereditaments, servitudes, appurtenances, mineral, oil and gas rights, privileges and immunities thereunto belonging or

appertaining which may from time to time be owned by the Obligated Group Members, and all claims or expectancy, of, in and to the Premises, it being the intention of the parties hereto that, so far as may be permitted by law, all property of the character hereinabove described, which is now owned or is hereafter acquired by the Obligated Group Members, and is affixed or attached or annexed to the Premises, shall be and remain or become and constitute a portion of the Premises, and the security covered by and subject to the lien of this Master Indenture; and

GRANTING CLAUSE THIRD

All of the rights, titles, interests and estates, now owned or hereafter acquired by the Obligated Group Members in and to any and all accounts, chattel paper, goods, documents, instruments, general intangibles, deposit accounts, investment property, equipment, inventory, fixtures, and any and all other personal property of any kind or character defined in and subject to the provisions of the Texas Business and Commerce Code, including the supporting obligations thereof, proceeds and products of and from any and all of such personal property used in connection with or arising out of the operation and use of the improvements located on the Premises and any substitutions or replacements therefor; and

GRANTING CLAUSE FOURTH

Any amounts on deposit from time to time in any fund or account created hereunder, subject to the provisions of this Master Indenture permitting the application thereof for the purposes and on the terms and conditions set forth herein; and

GRANTING CLAUSE FIFTH

Any and all property that may, from time to time hereinafter, by delivery or by writing of any kind, be subjected to the lien and security interest hereof by the Obligated Group Members or by anyone in its behalf (and the Master Trustee is hereby authorized to receive the same at any time as additional security hereunder), which subject to the lien and security interest hereof of any such property as additional security may be made subject to any reservations, limitations, or conditions which shall be set forth in a written instrument executed by the grantor or the person so acting in its behalf or by the Master Trustee respecting the use and disposition of such property or the proceeds thereof;

TO HAVE AND TO HOLD, IN TRUST, WITH THE POWER OF SALE, all said property, rights, privileges, and franchises of every kind and description, real, personal, or mixed, hereby and hereafter (by supplemental instrument or otherwise) granted, bargained, sold, aliened, remised, released, conveyed, assigned, transferred, mortgaged, hypothecated, pledged, set over, or confirmed as aforesaid, or intended, agreed, or covenanted so to be, together with all the appurtenances thereto appertaining (said properties, rights, privileges, leasehold, and franchises including any cash and securities hereafter deposited or required to be deposited with the Master Trustee (other than any such cash which is specifically stated herein not to be deemed part of the Trust Estate) being herein collectively referred to as the "Trust Estate") unto the Master Trustee and its successors and assigns forever;

SUBJECT AND SUBORDINATE, HOWEVER, to the Liens (as defined herein)

described in Exhibit B hereto and to any and all mortgages, liens, charges, encumbrances, pledges, and security interests granted, created, assumed, incurred, or existing pursuant to the provisions of Section 4.19 hereof;

BUT IN TRUST, NEVERTHELESS, first, for the equal and proportionate benefit and security of the Holders from time to time of all of the Outstanding Senior Obligations without any priority of any such Senior Obligations over any other such Senior Obligations except as herein otherwise expressly provided; and second, on an immediately subordinate basis to the Outstanding Senior Obligations, for the equal and proportionate benefit and security of the Holders from time to time of all of the Outstanding Subordinate Obligations without priority of any such Subordinate Obligations over any other such Subordinate Obligations except as herein otherwise expressly provided;

UPON CONDITION that, if the Obligated Group Members or their successors or assigns shall well and truly pay, or cause to be paid, the principal of (and premium, if any) and interest on the Outstanding Obligations according to the true intent and meaning thereof, or there shall be deposited with the Master Trustee such amounts in such form in order that none of the Obligations shall remain Outstanding as herein defined and provided, and shall pay or cause to be paid to the Master Trustee all sums of money due or to become due to it in accordance with the terms and provisions hereof, then upon the full and final payment of all such sums and amounts secured hereby or upon such deposit, the rights, titles, liens, security interests, and assignments herein granted shall cease, determine, and be void and this grant shall be released by the Master Trustee in due form at the expense of the Obligated Group Members, except only as herein provided; otherwise this grant to be and shall remain in full force and effect;

UPON FURTHER CONDITION as to any property included in the Trust Estate that, upon Request of the Obligated Group Representative accompanied by an Officer's Certificate and an Opinion of Counsel to the effect that the conditions precedent for the disposition of such property set forth in Section 4.18 hereof have been satisfied, the rights, title, liens, security interests and assignments herein granted shall cease, determine and be void as to such property only and this grant shall be released by the Master Trustee as to such property in due form at the expense of the Obligated Group Members;

ALL THINGS NECESSARY to make this Master Indenture a valid agreement and contract for the security of the Obligations in accordance with the terms of such Obligations and this Master Indenture have been done;

IT IS HEREBY COVENANTED AND DECLARED that the Trust Estate is to be held and applied by the Master Trustee, subject to the further covenants, conditions, and trusts hereinafter set forth, and the Obligated Group Members do hereby covenant and agree to and with the Master Trustee, for the equal and proportionate benefit of all Holders of Senior Obligations and subordinate to the Senior Obligations, for the equal and proportionate benefit of all Subordinate Obligations, except as herein otherwise expressly provided; and

THIS MASTER INDENTURE FURTHER WITNESSETH and it is expressly declared that all Obligations issued and secured hereunder are to be issued, authenticated and delivered and all said rights hereby pledged and assigned are to be dealt with and disposed of under, upon

and subject to the terms, conditions, stipulations, covenants, agreements, trusts, uses and purposes as hereinafter expressed and the Obligated Group Members have agreed and covenanted, and do hereby agree and covenant, with the Master Trustee for the equal and proportionate benefit of the respective holders from time to time of the Obligations as follows:

ARTICLE I

DEFINITION OF TERMS, CONSTRUCTION AND CERTAIN GENERAL PROVISIONS

Section 1.01. Definition of Terms. For all purposes of this Master Indenture, except as otherwise expressly provided or unless the context otherwise requires:

- (1) “this Master Indenture” or “this Master Indenture” means this instrument as originally executed or as it may from time to time be supplemented or amended by one or more indentures supplemental hereto entered into pursuant to the applicable provisions hereof;
- (2) all references in this instrument designated “Articles,” “Sections,” and other subdivisions are to the designated Articles, Sections and other subdivisions of this instrument as originally executed. The words “herein,” “hereof,” and “hereunder” and other words of similar import refer to this Master Indenture as a whole and not to any particular Article, Section, or other subdivision;
- (3) the terms defined in this Article have the meanings assigned to them in this Article, and include the plural as well as the singular number; and
- (4) all accounting terms not otherwise defined herein have the meanings assigned to them in accordance with generally accepted accounting principles applied in accordance with Section 1.02 of this Master Indenture.

“Act” when used with respect to any Holder of Obligations has the meaning specified in Section 1.04.

“Additional Indebtedness” means Indebtedness incurred by any Member subsequent to the issuance of the Series 2021 Notes.

“Additional Obligation” means any evidence of Indebtedness or evidence of any repayment obligation under any Interest Rate Agreement issued after the issuance of the Series 2021 Notes, which is authorized to be issued by a Member pursuant to this Master Indenture which has been authenticated by the Master Trustee pursuant to Section 2.03 hereof.

“Affiliate” of any specified Person means any other Person directly or indirectly controlling or controlled by or under direct or indirect common control with such specified Person. For purposes of this definition, “control” when used with respect to any specified Person means the power to direct the policies of such Person, directly or indirectly, whether through the power to appoint and remove its directors, the ownership of voting securities, by contract, or otherwise; and the terms “controlling” and “controlled” have meanings correlative to the foregoing.

“Annual Budget” has the meaning set forth in Section 4.15(b)(vi).

“Authorized Representative” shall mean, with respect to the Obligated Group Representative and each Obligated Group Member, its respective chief executive officer, or any other person or persons designated an Authorized Representative thereof by an Officer's Certificate of the Obligated Group Representative or the Obligated Group Member, signed by the respective Designated Officer and delivered to the Master Trustee.

“Board Resolution” of any specified Person means a copy of a resolution certified by the Person responsible for maintaining the records of the Governing Body of such Person to have been duly adopted by the Governing Body of such Person and to be in full force and effect on the date of such certification, and delivered to the Master Trustee.

“Bondholder Consent” means the written consent of the Majority Holders.

“Book Value,” when used with respect to Property of a Member, means the value of such Property, net of accumulated depreciation and amortization, as reflected in the most recent audited financial statements of such Member that have been prepared in accordance with generally accepted accounting principles, and when used with respect to Property of all Members, means the aggregate of the values of such Property, net of accumulated depreciation and amortization, as reflected in the most recent audited combined financial statements of the Obligated Group prepared in accordance with generally accepted accounting principles, provided that such aggregate shall be calculated in such a manner that no portion of the value of any Property of any Member is included more than once.

“Business Day” means any day other than (i) a Saturday, a Sunday or a day on which banking institutions are authorized or required by law or executive order to close in the City of New York, New York or in the city in which the designated corporate trust office of the Related Bond Trustee is located, or (ii) a day on which the New York Stock Exchange is closed.

“Capital Budget” has the meaning set forth in Section 4.15(b)(vi).

“Capitalized Lease” means any lease of real or personal property which, in accordance with generally accepted accounting principles, is required to be capitalized on the balance sheet of the lessee.

“Capitalized Rentals” means, as of the date of determination, the amount at which the aggregate Net Rentals due and to become due under a Capitalized Lease under which a Person is a lessee would be reflected as a liability on a balance sheet of such Person.

“Cash and Investments” means the sum of cash, cash equivalents and marketable securities of the Obligated Group Members, including without limitation board-designated assets and amounts, if any, on deposit in the Operating Reserve Fund and the Revenue Fund, but excluding (a) trustee-held funds other than those described above in this definition, (b) donor-restricted funds and (c) any funds pledged or otherwise subject to a security interest for debt other than the Obligations, as shown on the most recent audited or unaudited financial statements of the

Obligated Group.

“Charter Refund Obligations” means refunds due under Residency Agreements, the terms of which require a refund to be paid within 180 days of the resident’s termination of the Residency Agreement.

“Code” means the Internal Revenue Code of 1986, as amended from time to time and the corresponding provisions, if any, of any successor internal revenue laws of the United States.

“Community” means the continuing care retirement community located at 8580 Woodway, Houston, Texas, known as “The Buckingham” consisting of (a) the Premises, (b) Independent Living Units, an assisted living center and a health center including nursing beds, and related common areas, (c) necessary or useful furnishings, equipment and machinery, and (d) such interests in land as may be necessary or suitable for the foregoing, including roads and rights of access, utilities and other necessary site preparation facilities.

“Consent,” “Order,” and “Request” of any specified Person mean, respectively, a written consent, order, or request signed in the name of such Person by the Chairman of the Governing Body, the President, a Vice President, the Treasurer, an Assistant Treasurer or the Chief Financial Officer of such Person or any other Person or Persons designated by an Officers Certificate and delivered to the Master Trustee.

“Construction Index” means the most recent issue of the “Dodge Construction Index for U.S. and Canadian Cities” with reference to the city in which the subject property is located (or, if such Index is not available for such city, with reference to the city located closest geographically to the city in which the subject property is located), or, if such Index is no longer published or used by the federal government in measuring costs under Medicare or Medicaid programs, such other index which is certified to be comparable and appropriate by the Obligated Group Representative in an Officer’s Certificate delivered to the Master Trustee.

“Consultant” means a professional consulting, accounting, investment banking or commercial banking firm or individual selected by the Obligated Group Representative, having the skill and experience necessary to render the particular report required and having a favorable reputation for such skill and experience, which firm or individual does not control any Member of the Obligated Group or any Affiliate thereof and is not controlled by or under common control with any Member of the Obligated Group or an Affiliate thereof, who has been approved by the Majority Holders.

“Continuing Disclosure Agreement” means the Continuing Disclosure Agreement dated as of _____, 2021 between the Obligor and the Master Trustee.

“Contributions” means the aggregate amount of all contributions, grants, gifts, bequests and devises actually received in cash or marketable securities by any Person in the applicable fiscal year of such Person and any such contributions, grants, gifts, bequests and devises originally received in a form other than cash or marketable securities by any Person which are converted in such fiscal year to cash or marketable securities.

“Credit Facility” means any Liquidity Facility, letter of credit, bond insurance policy, standby purchase agreement, guaranty, line of credit, surety bond or similar credit or liquidity facility securing any Indebtedness of any Obligated Group Member.

“Credit Facility Agreement” means any reimbursement agreement and any other agreement between the Obligated Group Representative and the provider of a Credit Facility relating to the issuance of a Credit Facility.

“Cross over Date” means, with respect to Cross over Refunding Indebtedness, the date on which the principal portion of the Cross over Refunded Indebtedness is paid or redeemed, or on which it is anticipated that such principal portion will be paid or redeemed, from the proceeds of such Cross over Refunding Indebtedness.

“Cross over Refunded Indebtedness” means Indebtedness of a Person refunded by Cross over Refunding Indebtedness.

“Cross over Refunding Indebtedness” means Indebtedness of a Person issued for the purpose of refunding other Indebtedness of such Person if the proceeds of such Cross over Refunding Indebtedness are irrevocably deposited in escrow to secure the payment on the applicable Cross over Date of the Cross over Refunded Indebtedness and earnings on such escrow deposit are required to be applied to pay interest or principal on either or both of such Cross over Refunding Indebtedness or such Cross over Refunded Indebtedness until the Cross over Date.

“Current Value” means (i) with respect to Property, Plant and Equipment: (a) the aggregate fair market value of such Property, Plant and Equipment as reflected in the most recent written report of an appraiser selected by the Obligated Group Representative and, in the case of real property, who is a member of the American Institute of Real Estate Appraisers (MAI), delivered to the Master Trustee (which report shall be dated not more than three years prior to the date as of which Current Value is to be calculated) increased or decreased by a percentage equal to the aggregate percentage increase or decrease in the Construction Index from the date of such report to the date as of which Current Value is to be calculated, minus the fair market value (as reflected in such most recent appraiser's report) of any Property, Plant and Equipment included in such report but disposed of since the last such report increased or decreased by a percentage equal to the aggregate percentage increase or decrease in the Construction Index from the date of such report to the date as of which Current Value is to be calculated; plus (b) the Book Value of any Property, Plant and Equipment acquired since the last such report increased or decreased by a percentage equal to the aggregate percentage increase or decrease in the Construction Index from the date of such acquisition to the date as of which Current Value is to be calculated, minus (c) the Book Value of any such Property, Plant and Equipment acquired since the last such report but disposed of; and (ii) with respect to any other Property, the fair market value of such Property.

“Days Cash on Hand” means, as of the date of calculation, the amount determined by dividing (a) the amount of Cash and Investments on such date by (b) the quotient obtained by dividing Expenses (including interest on Indebtedness but excluding (i) provisions for bad debt amortization, depreciation or any other non cash expenses and (ii) capital expenditures) as shown on the most recent annual audited financial statements (or, with respect to any calculation of

Days Cash on Hand as of any June 30, as reflected in the unaudited trailing twelve month financial statements for the period ending such June 30, as derived from the quarterly financial statements delivered pursuant to Section 4.15(b)(ii) hereof), by 365; provided that for the Days Cash on Hand calculation performed to determine amounts available to redeem the Series 2021A Bonds from Excess Cash, the interest expense on the Series 2021B Bonds prior to the Trigger Date shall be calculated using 5.00% per annum.

“Debt Service Requirements” means, with respect to the period of time for which calculated, the aggregate of the payments required to be made during such period in respect of principal (whether at maturity, as a result of mandatory sinking fund redemption, mandatory prepayment or otherwise) and interest on outstanding Funded Indebtedness of each Person or a group of Persons with respect to which calculated; provided that: (a) the amount of such payments for a future period shall be calculated in accordance with the assumptions contained in Sections 4.16 and 4.17 hereof; (b) interest shall be excluded from the determination of the Debt Service Requirements to the extent that Funded Interest is available to pay such interest; (c) principal of Indebtedness shall be excluded from the determination of Debt Service Requirements to the extent that amounts are on deposit in an irrevocable escrow and such amounts (including, where appropriate, the earnings or other increment to accrue thereon) are required to be applied to pay such principal and such amounts so required to be applied are sufficient to pay such principal; (d) principal of Indebtedness due in its final year shall be excluded from the determination of Debt Service Requirements to the extent moneys were initially deposited and are on deposit as of the date of calculation in a debt service reserve fund which required that moneys on deposit in the debt service reserve fund be used to pay a principal payment in the final year of such Indebtedness, and except for the payment to be received from such debt service reserve fund, the Indebtedness would have had approximately level debt service and (e) any annual fees payable in respect of a Credit Facility (other than annual fees to be paid from the proceeds of a bond issue escrowed for such purpose) shall be included in the determination of Debt Service Requirements.

“Defeasance Obligations” means:

(1) Direct obligations of the United States of America or obligations to the full and prompt payment of which the full faith and credit of the United States of America is pledged or evidences of ownership of proportionate interests in future interest and principal payments on such obligations held by a bank or trust company as custodian, under which the owner of the investment is the real party in interest and has the right to proceed directly and individually against the obligor on such obligations, and which underlying obligations are not available to satisfy any claim of the custodian or any Person claiming through the custodian or to whom the custodian may be obligated; and

(2) Obligations issued or guaranteed by the following instrumentalities or agencies of the United States of America:

- (i) Federal Home Loan Bank System;
- (ii) Export-Import Bank of the United States;
- (iii) Federal Financing Bank;

- (iv) Government National Mortgage Association;
- (v) Farmers Home Administration;
- (vi) Federal Home Loan Mortgage Company;
- (vii) Federal Housing Administration;
- (viii) Federal National Mortgage Association;
- (ix) Any other agency or instrumentality of the United States of America created by an Act of Congress which is substantially similar to the foregoing in its legal relationship to the United States of America; and

(3) Obligations described in Section 103(a) of the Code, provision for the payment of the principal of (and premium, if any) and interest on which shall have been made by the irrevocable deposit at least 123 days preceding the date of determination with a bank or trust company acting as a trustee or escrow agent for holders of such obligations of money, or obligations described in clause (1) above, the maturing principal of and interest on which, when due and payable, without reinvestment will provide money, sufficient to pay when due the principal of (and premium, if any) and interest on such obligations, and which money, or obligations described in clause (1) above, are not available to satisfy any other claim, including any claim of the trustee or escrow agent or any claim of any Person claiming through the trustee or escrow agent or any claim of any Person to whom the Person on whose behalf such irrevocable deposit was made, the trustee, or the escrow agent may be obligated, whether arising out of the insolvency of the Person on whose behalf such irrevocable deposit was made, the trustee or escrow agent or otherwise.

“Designated Officer” means the Chairman of the Governing Body, President, any Vice President, the Treasurer, Assistant Treasurer, Secretary or Assistant Secretary of the Obligated Group Representative, or any other person or persons so designated by an Officer's Certificate delivered to the Master Trustee.

“Effective Date” means the date on which the Series 2021 Notes are delivered to the Holders thereof.

“EMMA” means Municipal Securities Rulemaking Board’s Electronic Municipal Market Access system.

“Entrance Fee Fund” means the Entrance Fee Fund created by Section 3.03 hereof.

“Entrance Fees” means fees, other than security deposits, monthly rentals or monthly service charges, paid to a Member by residents of Independent Living Units for the purpose of obtaining the right to reside in those units including any refundable resident deposits described in any lease or similar Residency Agreements with respect to those Independent Living Units, but shall not include any such amounts held in escrow or otherwise set aside pursuant to the requirements of

any such agreement prior to the occupancy of the unit covered by such Residency Agreement or pursuant to Chapter 246, Texas Health and Safety Code (which amounts shall be included if and when occupancy occurs).

“Event of Default” has the meaning set forth in Article VII hereof.

“Excess Cash” has the meaning set forth in Section 3.01(c) *Seventh* hereof.

“Expenses” means, for any period, the aggregate of all expenses calculated under generally accepted accounting principles, including without limitation any accrual for taxes, assessments and insurance, incurred by the Person or group of Persons involved during such period, but subtracting (a) interest on Funded Indebtedness, (b) depreciation and amortization, (c) extraordinary expenses, losses on the sale of assets other than in the ordinary course of business and losses on the extinguishment of debt or termination of pension plans, (d) any expenses resulting from a forgiveness of or the establishment of reserves against Indebtedness of an Affiliate which does not constitute an extraordinary expense, (e) losses resulting from any reappraisal, revaluation or write down of assets other than bad debts, (f) non cash expenses or losses, and (g) any development, marketing, operating, or other management fees that have been deferred from the year in which they were originally due. If such calculation of Expenses is being made with respect to the Obligated Group, any such expenses attributable to transactions between any Member and any other Member shall be excluded.

“Facilities” means all land, leasehold interests and buildings and all fixtures and equipment (as defined in the Uniform Commercial Code or equivalent statute in effect in the state where such fixtures or equipment are located) of a Person.

“Fiscal Quarter” means the three month period ended March 31, June 30, September 30 or December 31.

“Fiscal Year” means any 12 month period beginning on January 1 of any calendar year and ending on December 31 of the same calendar year, or such other consecutive 12 month period selected by the Obligated Group Representative as the fiscal year for the Members.

“Fitch” means Fitch Inc., a corporation organized and existing under the laws of the State of Delaware, its successors and assigns, and if such corporation shall be dissolved or liquidated or shall no longer perform the functions of a securities rating agency, “Fitch” shall be deemed to refer to any other nationally recognized securities rating agency designated by the Obligated Group, with written notice to the Master Trustee.

“Funded Indebtedness” means, with respect to any Person, (a) all Indebtedness of such Person for money borrowed, credit extended, incurred or assumed which is not Short Term; and (b) Capitalized Rentals under Capitalized Leases entered into by the Person; provided, however, that Indebtedness that could be described by more than one of the foregoing categories shall not in any case be considered more than once for the purpose of any calculation made pursuant to this Master Indenture.

“Funded Interest” means amounts irrevocably deposited in an escrow, trust account or account

held by a Related Bond Trustee to pay interest on Funded Indebtedness or Related Bonds and interest earned on amounts irrevocably deposited in an escrow, trust account or account held by a Related Bond Trustee to the extent such interest earned is required to be applied to pay interest on Funded Indebtedness or Related Bonds.

“Governing Body” means, with respect to a Member, the board of directors, the board of trustees or similar group in which the right to exercise the powers of corporate directors or trustees is vested.

“Government Obligations” means direct obligations of the United States of America or obligations the full and timely payment of the principal of and interest on which is unconditionally guaranteed by the United States of America.

“Governmental Receivables Account” has the meaning given such term in Section 3.07(b) hereof.

“Gross Revenues” means all receipts, revenues, rentals, income, insurance proceeds (including, without limitation, all Medicaid, Medicare and other third party payments), condemnation awards, Entrance Fees and other moneys received by or on behalf of any Obligated Group Member, including (without limitation) revenues derived from (a) the ownership, operation or leasing of any portion of the Facilities (including, without limitation, fees payable by or on behalf of residents of the Facilities) and all rights to receive the same (other than the right to receive Medicaid and Medicare payments), whether in the form of accounts, general intangibles or other rights, and the proceeds of such accounts, general intangibles and other rights, whether now existing or hereafter coming into existence or whether now owned or held or hereafter acquired, (b) proceeds received from (i) accounts, (ii) securities and other investments, (iii) inventory and other tangible and intangible property, and (iv) accounts receivable, general intangibles, contract rights, chattel paper, instruments and other rights, and assets now existing or hereafter coming into existence or whether now owned or held or hereafter acquired, and (c) gifts, grants, bequests, donations and contributions heretofore or hereafter made that are legally available to meet any of the obligations of the Obligated Group Member incurred in the financing, operation, maintenance or repair of any portion of the Facilities; provided, however, that there shall be excluded from Gross Revenues (i) any amounts received by an Obligated Group Member as a billing agent for another entity, except for fees received for serving as billing agent, (ii) gifts, grants, bequests, donations and contributions to an Obligated Group Member heretofore or hereafter made, and the income and gains derived therefrom, which are specifically restricted by the donor or grantor to a particular purpose which is inconsistent with their use of payments required under this Master Indenture, (iii) any moneys received by any Obligated Group Member from prospective residents or commercial tenants in order to pay for customized improvements to those Independent Living Units or other areas of the Facilities to be occupied or leased to such residents or tenants and (iv) all deposits made pursuant to Residency Agreements to be held in escrow prior to such resident’s occupancy of an Independent Living Unit or as required by Chapter 246, Texas Health and Safety Code.

“Guaranty” means all obligations of a Person guaranteeing, or in effect guaranteeing, any Indebtedness, dividend or other obligation of any Person in any manner, whether directly or indirectly, including but not limited to obligations incurred through an agreement, contingent or

otherwise, by such Person: (a) to purchase such Indebtedness or obligation or any Property constituting security therefor; (b) to advance or supply funds: (i) for the purchase or payment of such Indebtedness or obligation, or (ii) to maintain working capital or other balance sheet condition; (c) to purchase securities or other Property or services primarily for the purpose of assuring the owner of such Indebtedness or obligation of the ability of the Person to make payment of the Indebtedness or obligation; or (d) otherwise to assure the owner of such Indebtedness or obligation against loss in respect thereof.

“Healthcare Occupancy Requirement” has the meaning given such term in Section 4.22(b) hereof.

“Historical Debt Service Coverage Ratio” means, for any period of time, the ratio consisting of a numerator equal to the amount determined by dividing Income Available for Debt Service for that period by the Maximum Annual Debt Service Requirements and a denominator of one; provided, however, that in calculating the Debt Service Requirements for such period, (a) principal coming due for the Series 2021B Bonds on January 1, 2061 shall be excluded from the principal amount for purposes of the foregoing calculation to the extent moneys are on deposit in the applicable account of the Debt Service Reserve Fund as of the date of calculation and (b) the calculation of Maximum Annual Debt Service Requirements until the Par Call Date shall be calculated such that the Series 2021B Bonds bear interest rate of 5% per annum.

“Historical Pro Forma Debt Service Coverage Ratio” means, for any period of time, the ratio consisting of a numerator equal to the amount determined by dividing Income Available for Debt Service for that period by the Maximum Annual Debt Service Requirement for the Funded Indebtedness then outstanding (other than any Funded Indebtedness being refunded with the Funded Indebtedness then proposed to be issued) and the Funded Indebtedness then proposed to be issued and a denominator of one; provided, however, that in calculating the Maximum Annual Debt Service Requirements for such period, the principal amount of any Indebtedness included in such calculation which is paid during such period shall be excluded to the extent (a) such principal amount is paid from the proceeds of other Indebtedness incurred in accordance with the provisions of this Master Indenture, and (b) to the extent an Interest Rate Agreement has been entered into in connection with any particular Indebtedness, the actual debt service paid after the effect of payments made to or received from the provider of the Interest Rate Agreement shall be used in the calculation.

“Holder” means the registered owner of any Obligation issued in registered form.

“ILU Occupancy Requirement” has the meaning given such term in Section 4.22(a) hereof.

“Income Available for Debt Service” means for any period, the excess of Revenues over Expenses of the Person or group of Persons involved; provided that this calculation shall include net Entrance Fees (i.e. Entrance Fees received during the period minus Entrance Fee refunds due to the Post-Effective Date Refund Queue during such period) and shall exclude any capital expenditures and payments with respect to the Pre-Effective Date Refund Queue.

“Indebtedness” means, for any Person, (a) all Guaranties by such Person, (b) all liabilities (exclusive of reserves such as those established for deferred taxes or litigation) recorded or

required to be recorded as such on the audited financial statements of such Person in accordance with generally accepted accounting principles, and (c) all obligations for the payment of money incurred or assumed by such Person (i) due and payable in all events or (ii) if incurred or assumed primarily to assure the repayment of money borrowed or credit extended, due and payable upon the occurrence of a condition precedent or upon the performance of work, possession of Property as lessee, rendering of services by others or otherwise; provided that Indebtedness shall not include Indebtedness of one Member to another Member, any Guaranty by any Member of Indebtedness of any other Member, the joint and several liability of any Member on Indebtedness issued by another Member, Interest Rate Agreements or any obligation to repay Entrance Fees or moneys deposited by residents or others with a Member as security for or as prepayment of the cost of patient care or any rights of residents of senior living facilities or similar facilities to endowment or similar funds deposited by or on behalf of such residents.

“Independent Counsel” means an attorney duly admitted to practice law before the highest court of any state and, without limitation, may include independent legal counsel for any Member, the Master Trustee or any Related Bond Trustee.

“Independent Living Units” means the independent living units that are part of the Community.

“Initial Manager” means [Greystone].

“Initial Marketing Consultant” means [Solutions Advisors].

“Initial Supplemental Indenture” means Supplemental Indenture Number 1 dated as of November 1, 2021, between the Obligated Group Representative and the Master Trustee.

“Initial Queue Payment” means [\$2,366,000] to be paid to the Pre-Effective Date Refund Queue on a pro rata basis.

“Insurance Consultant” means a person or firm who in the case of an individual is not an employee or officer of any Member and which, in the case of a firm, does not control any Member of the Obligated Group or any Affiliate thereof and is not controlled by or under common control with any Member of the Obligated Group or an Affiliate thereof, appointed by the Obligated Group Representative and reasonably acceptable to the Master Trustee, qualified to survey risks and to recommend insurance coverage for senior living facilities or health care facilities and services of the type involved, and having a favorable reputation for skill and experience in such surveys and such recommendations, and which may include a broker or agent with whom any Member transacts business.

“Interest Payment Date” means the Stated Maturity of an installment of interest on the Obligations.

“Interest Rate Agreement” means an interest rate exchange, hedge or similar agreement, expressly identified in an Officer's Certificate of the Obligated Group Representative delivered to the Master Trustee as being entered into in order to hedge the interest payable on all or a portion of any Indebtedness, which agreement may include, without limitation, an interest rate swap, a forward or futures contract or an option (e.g. a call, put, cap, floor or collar) and which

agreement does not constitute an obligation to repay money borrowed, credit extended or the equivalent thereof. An Interest Rate Agreement shall not constitute Indebtedness hereunder.

“Lien” means any mortgage, pledge or lease of, security interest in or lien, charge or encumbrance on any Property of the Person involved in favor of, or which secures any obligation to, any Person other than any Member, and any Capitalized Lease under which any Member is lessee and the lessor is not another Member.

“Liquidity Facility” means a written commitment to provide money to purchase or retire any Indebtedness if (i) on the date of delivery of such Liquidity Facility, the unsecured Funded Indebtedness or claims paying ability of the provider of such Liquidity Facility or its parent holding company or other controlling entity is rated at least “A” by a least one of the Rating Agencies and (ii) as of any particular date of determination, no amount realized under such Liquidity Facility for the payment of the principal or the purchase or redemption price of such Indebtedness (exclusive of amounts realized for the payment of accrued interest on such Indebtedness) shall be required to be repaid by the obligor on such Funded Indebtedness for a period of at least one year.

“Liquidity Requirement” has the meaning given such term in Section 4.20 hereof.

“Majority Holders” means so long as of any of the Senior Obligations are then Outstanding, the Holders of not less than a majority in the aggregate principal amount of the Senior Obligations and if no Senior Obligations Outstanding are then outstanding, the Holders of not less than a majority in the aggregate principal amount of the Subordinate Obligations Outstanding.

“Management Agreement” means [to come].

“Marketing Agreement” means [to come].

“Master Trustee” means UMB Bank, N.A., a national banking association, as trustee hereunder, and any successor in trust appointed pursuant to Article VIII hereof.

“Maturity” when used with respect to any Indebtedness means the date on which the principal of such Indebtedness or any installment thereof becomes due and payable as therein provided, whether at the Stated Maturity thereof or by declaration of acceleration, call for redemption, or otherwise.

“Maximum Annual Debt Service Requirement” means the largest total Debt Service Requirements for the current or any succeeding Fiscal Year.

“Moody's” means Moody's Investors Service, a corporation organized and existing under the laws of the State of Delaware, its successors and assigns, and, if such corporation shall be dissolved or liquidated or shall no longer perform the functions of a securities rating agency, “Moody's” shall be deemed to refer to any other nationally recognized securities rating agency designated by the Obligated Group, with written notice to the Master Trustee.

“Mortgaged Property” means the real property and personal property which is subject to the Lien

and security interest of this Master Indenture.

“Net Proceeds” means, when used with respect to any insurance (other than the proceeds of business interruption insurance), condemnation award or sale consummated under threat of condemnation, the gross proceeds from the insurance or condemnation award or sale with respect to which that term is used less all expenses (including attorney's fees, adjuster's fees and any expenses of the Obligated Group or the Master Trustee) incurred in the collection of such gross proceeds.

“Net Rentals” means all fixed rents (including as such all payments which the lessee is obligated to make to the lessor on termination of the lease or surrender of the Property other than upon termination of the lease for a default thereunder) payable under a lease or sublease of real or personal Property excluding any amounts required to be paid by the lessee (whether or not designated as rents or additional rents) on account of maintenance, repairs, insurance, taxes and similar charges. Net Rentals for any future period under any so called “percentage lease” shall be computed on the basis of the amount reasonably estimated to be payable thereunder for such period, but in any event not less than the amount paid or payable thereunder during the immediately preceding period of the same duration as such future period; provided that the amount estimated to be payable under any such percentage lease shall in all cases recognize any change in the applicable percentage called for by the terms of such lease.

“Non-Recourse Indebtedness” means any Indebtedness the liability for which is effectively limited to Property, Plant and Equipment (other than the Premises) and the income therefrom, with no recourse, directly or indirectly, to any other Property of any Member.

“Obligated Group” means, collectively, all of the Obligated Group Members.

“Obligated Group Member” or “Member” means the Initial Obligated Group Members and any other Person who has satisfied the requirements set forth in this Master Indenture for becoming an Obligated Group Member and its successors until any such Person or a successor or transferee Person satisfies the requirements set forth in this Master Indenture for ceasing to be an Obligated Group Member.

“Obligated Group Representative” means the Obligor or any successor Obligated Group Representative appointed pursuant to Section 6.04 hereof.

“Obligation” means any promissory note, guaranty, lease, contractual agreement to pay money or other obligation of any Obligated Group Member which is authenticated and delivered pursuant to this Master Indenture and which is entitled to the benefits of this Master Indenture.

“Obligation Register” means the register of ownership of the Obligations to be maintained pursuant to this Master Indenture.

“Obligor” means Buckingham Senior Living Community, Inc., a Texas nonprofit corporation, and any and all successors thereto in accordance with this Master Indenture.

“Occupied” means an Independent Living Unit for which a Residency Agreement has been

executed and all related Entrance Fees then due have been paid or deferred in accordance with such Residency Agreement and the monthly service fees for which are currently being paid (for purposes of this definition, combined Independent Living Units are counted as the number of original individual units so combined) and (b) with respect to any other Independent Living Unit or any assisted living unit or nursing bed, such units that are occupied by a resident or patient for which monthly service fees are currently charged and paid; provided, however, with respect to nursing beds, to the extent a resident desires a private room and pays the appropriate fees to convert a semi-private room to a private room, then in such case the number of available nursing beds shall be reduced accordingly for such period.

“Officer's Certificate” means a certificate signed, in the case of a certificate delivered by a Member of the Obligated Group, by the President, any Vice President, Treasurer or any other officer or agent authorized to sign by resolution of the Governing Body of any Member of the Obligated Group or in the case of a certificate delivered by any other corporation, by the President, any Vice President, Treasurer or any other officer or agent authorized to sign by resolution of the Governing Body of such corporation or, in the case of a certificate delivered by any other Person, the chief executive or chief financial officer of such other Person, in either case whose authority to execute such certificate shall be evidenced to the satisfaction of the Master Trustee.

“Operating Account” has the meaning given such term in Section 3.07(a) hereof.

“Operating Budget” has the meaning set forth in Section 4.28 hereof.

“Operating Cash” has the meaning given such term in Section 3.01(c) seventh hereof.

“Operating Reserve Fund” means the Operating Reserve Fund created by Section 3.02 hereof.

“Opinion of Counsel” means a written opinion of counsel who may (except as otherwise expressly provided herein) be counsel to any Obligated Group Member and shall be reasonably acceptable to the Master Trustee.

“Original Master Indenture” means the Master Indenture, Deed of Trust and Security Agreement dated as of July 1, 2007, as supplemented, between the Obligor and the Master Trustee that is amended and restated by this Master Indenture.

“Organizational Documents” of any corporation means the articles of incorporation, certificate of incorporation, corporate charter or other document pursuant to which such corporation was organized, and its bylaws, each as amended from time to time, and as to any other Person, means the instruments pursuant to which it was created and which govern its powers and the authority of its representatives to act on its behalf.

“Outstanding” when used with respect to Obligations means, as of the date of determination, all Obligations theretofore authenticated and delivered under this Master Indenture, except:

- (1) Obligations theretofore cancelled and delivered to the Master Trustee or delivered to the Master Trustee for cancellation;

(2) Obligations for whose payment or redemption money (or Defeasance Obligations to the extent permitted by Section 10.02 of this Master Indenture) shall have theretofore been deposited with the Master Trustee or any Paying Agent for such Obligations in trust for the Holders of such Obligations pursuant to this Master Indenture; provided, that, if such Obligations are to be redeemed, notice of such redemption has been duly given or waived pursuant to this Master Indenture or irrevocable provision for the giving of such notice satisfactory to the Master Trustee has been made pursuant to this Master Indenture; and

(3) Obligations upon transfer of or in exchange for or in lieu of which other Obligations have been authenticated and delivered pursuant to this Master Indenture;

provided, however, that in determining whether the Holders of the requisite principal amount of Outstanding Obligations have given any request, demand, authorization, direction, notice, consent, or waiver hereunder, Obligations owned by any Obligated Group Member or any Affiliate of any Obligated Group Member shall be disregarded and deemed not to be Outstanding, except that, in determining whether the Master Trustee shall be protected in relying upon any such request, demand, authorization, direction, notice, consent, or waiver, only Obligations that the Master Trustee knows to be so owned shall be so disregarded. Obligations so owned that have been pledged in good faith may be regarded as Outstanding if the pledgee establishes to the satisfaction of the Master Trustee the pledgee's right so to act with respect to such Obligations and that the pledgee is not an Obligated Group Member or an Affiliate of any Obligated Group Member.

“Paying Agent” means any Person authorized by the Obligated Group Representative to pay the principal of (and premium, if any) or interest on any Obligations on behalf of the Obligated Group.

“Permitted Encumbrances” means this Master Indenture, any Related Loan Agreement, any Related Bond Indenture and, as of any particular date:

(a) Liens arising by reason of good faith deposits with a Member in connection with tenders, leases of real estate, bids or contracts (other than contracts for the payment of money), deposits by any Member to secure public or statutory obligations, or to secure, or in lieu of, surety, stay or appeal bonds, and deposits as security for the payment of taxes or assessments or other similar charges; any Lien arising by reason of deposits with, or the giving of any form of security to, any governmental agency or any body created or approved by law or governmental regulation for any purpose at any time as required by law or governmental regulation as a condition to the transaction of any business or the exercise of any privilege or license, or to enable any Member to maintain self insurance or to participate in any funds established to cover any insurance risks or in connection with workers' compensation, unemployment insurance, pensions or profit sharing plans or other social security plans or programs, or to share in the privileges or benefits required for corporations participating in such arrangements;

(b) any Lien described in Exhibit B which is existing on the date of execution of this

Master Indenture provided that no such Lien may be extended, renewed or modified to apply to any Property of a Member of the Obligated Group not subject to such Lien on such date, unless such Lien as so extended, renewed or modified otherwise qualifies as a Permitted Encumbrance;

(c) any Lien on the Property of any Member granted in favor of or securing Indebtedness to any other Member;

(d) this Master Indenture, and any other Lien on Property if such Lien equally and ratably secures all of the Senior Obligations, and then the Subordinate Obligations and only the Obligations;

(e) leases which relate to Property of the Obligated Group which is of a type that is customarily the subject of such leases, such as office space for physicians and educational institutions, food and beverage service facilities, gift shops, commercial, beauty shop, banking, radiology, other similar specialty services, pharmacy and similar departments or employee rental apartments; and any leases, licenses or similar rights to use Property whereunder a Member is lessee, licensee or the equivalent thereof upon fair and reasonable terms no less favorable to the lessee or licensee than would obtain in a comparable arm's length transaction;

(f) Liens for taxes and special assessments which are not then delinquent, or if then delinquent are being contested in accordance with Section 4.05 hereof;

(g) utility, access and other easements and rights of way, restrictions, encumbrances and exceptions which do not materially interfere with or materially impair the operation of the Property affected thereby (or, if such Property is not being then operated, the operation for which it was designed or last modified);

(h) any mechanic's, laborer's, materialman's, broker's, appraiser's, supplier's or vendor's Lien or right in respect thereof if payment is not yet due under the contract in question or has been due for less than 60 days, or if such Lien is being contested in accordance with the provisions of the Master Indenture;

(i) such Liens, defects, irregularities of title and encroachments on adjoining property as normally exist with respect to property similar in character to the Property involved and which do not materially adversely affect the value of, or materially impair, the Property affected thereby for the purpose for which it was acquired or is held by the owner thereof;

(j) zoning laws and similar restrictions which are not violated by the Property affected thereby;

(k) statutory rights under Section 291, Title 42 of the United States Code, as a result of what are commonly known as Hill Burton grants, and similar rights under other federal statutes or statutes of the state in which the Property involved is located;

- (l) all right, title and interest of the state where the Property involved is located, municipalities and the public in and to tunnels, bridges and passageways over, under or upon a public way;
- (m) Liens on or in Property given, granted, bequeathed or devised by the owner thereof existing at the time of such gift, grant, bequest or devise, provided that (i) such Liens consist solely of restrictions on the use thereof or the income therefrom, or (ii) such Liens secure Indebtedness which is not assumed by any Member and such Liens attach solely to the Property (including the income therefrom) which is the subject of such gift, grant, bequest or devise;
- (n) Liens of or resulting from any judgment or award, the time for the appeal or petition for rehearing of which shall not have expired, or in respect of which any Member shall at any time in good faith be prosecuting an appeal or proceeding for a review and in respect of which a stay of execution pending such appeal or proceeding for review shall be in existence;
- (o) Liens on moneys deposited by residents or others with a Member as security for or as prepayment of the cost of patient care or any rights of residents of senior living or similar facilities to endowment, prepayment or similar funds deposited by or on behalf of such residents;
- (p) Liens on Property due to rights of third party payors for recoupment of excess reimbursement paid;
- (q) any security interest in a rebate fund, any depreciation reserve, debt service or interest reserve, debt service, construction fund or any similar fund established pursuant to the terms of any Supplement, Related Bond Indenture or Related Loan Agreement in favor of the Master Trustee, a Related Bond Trustee or the holder of the Indebtedness issued pursuant to such Supplement, Related Bond Indenture or Related Loan Agreement;
- (r) such Liens, covenants, conditions and restrictions, if any, which do not secure Indebtedness and which are other than those of the type referred to above, and which (i) in the case of Property owned by the Obligated Group on the date of execution of the Master Indenture, do not and will not, so far as can reasonably be foreseen, materially adversely affect the value of the Property currently affected thereby or materially impair the same, and (ii) in the case of any other Property, do not materially impair or materially interfere with the value, operation or usefulness thereof for the purpose for which such Property was acquired or is held by a Member;
- (s) such Liens as are required to be granted by Section 246.111 of the Texas Health and Safety Code, as amended; or
- (t) Liens of or resulting from Capitalized Leases incurred as Additional Indebtedness pursuant to Section 4.16.

“Permitted Investments” means dollar denominated investments, to the extent permitted by law, in any of the following:

- (a) Government Obligations;
- (b) debt obligations which are (i) issued by any state or political subdivision thereof or any agency or instrumentality of such state or political subdivision, and (ii) at the time of purchase, rated by any Rating Agency in one of the two highest categories assigned by such Rating Agency (without regard to any refinement or gradation of rating category by numerical modifier or otherwise);
- (c) any bond, debenture, note, participation certificate or other similar obligation which is either (i) issued or guaranteed by the Federal National Mortgage Association, the Federal Home Loan Bank System, the Federal Home Loan Mortgage Corporation, the Federal Farm Credit Bank, or (ii) backed by the full faith and credit of the United States of America;
- (d) U.S. denominated deposit account, certificates of deposit and banker's acceptances with domestic commercial banks, including the Master Trustee or its affiliates, which have a rating on their short-term certificates of deposit on the date of purchase of “A 1” by Standard & Poor's, “F 1+” by Fitch or “P 1” by Moody's, without regard to gradation, and which matures not more than 360 days after the date of purchase;
- (e) commercial paper which is rated at the time of purchase within the classification or higher, “A 1” by Standard & Poor's, “F 1+” by Fitch or “P 1” by Moody's, without regard to gradation, and which matures not more than 270 days after the date of purchase;
- (f) bonds, notes, debentures or other evidences of indebtedness issued or guaranteed by a corporation which are, at the time of purchase, rated by any Rating Agency in any of the three highest rating categories (without regard to any refinement or gradation of rating category by numerical modifier or otherwise);
- (g) investment agreements with banks that at the time such agreement is executed are rated by any Rating Agency in one of the two highest rating categories assigned by such Rating Agency (without regard to any refinement or gradation of rating category by numerical modifier or otherwise) or investment agreements with non-bank financial institutions which, (1) all of the unsecured, direct long-term debt of either the non-banking financial institution or the related guarantor of such non-bank financial institution is rated by any Rating Agency at the time such agreement is executed in one of the two highest rating categories (without regard to any refinement or gradation of rating category by numerical modifier or otherwise) for obligations of that nature; or (2) if such non-bank financial institutions have no outstanding long-term debt that is rated, all of the short-term debt of either the non-banking financial institution or the related guarantor of such non-bank financial institution is rated by any Rating Agency in the highest rating category (without regard to any refinement or gradation of the rating category by numerical modifier or otherwise) assigned to short term indebtedness by such Rating Agency; provided that if at any time after purchase the provider of the investment

agreement drops below the two highest rating categories assigned by such Rating Agency, the investment agreement must, within 30 days, either (1) be assigned to a provider rated in one of the two highest rating categories or (2) be secured by the provider with collateral securities the fair market value of which, in relation to the amount of the investment agreement including principal and interest, is equal to at least 102%; investment agreements with banks or non-bank financial institutions shall not be permitted if no rating is available with respect to debt of the investment agreement provider or the related guarantor of such provider;

(h) repurchase agreements with respect to and secured by Government Obligations or by obligations described in clause (b) and (c) above, which agreements may be entered into with a bank (including without limitation the Related Bond Trustee or the Master Trustee), a trust company, financial services firm or a broker dealer which is a member of the Securities Investors Protection Corporation, provided that (i) the Master Trustee or a custodial agent of the Master Trustee has possession of the collateral and that the collateral is, to the knowledge of the Master Trustee, free and clear of third-party claims, (ii) a master repurchase agreement or specific written repurchase agreement governs the transaction, (iii) the collateral securities are valued no less frequently than monthly, and (iv) the fair market value of the collateral securities in relation to the amount of the repurchase obligation, including principal and interest, is equal to at least 103%, and (v) such obligations must be held in the custody of the Related Bond Trustee, the Master Trustee or their agent; and

(i) shares of a money market mutual fund or other collective investment fund registered under the federal Investment Company Act of 1940, whose shares are registered under the Securities Act of 1933, having assets of at least \$100,000,000 and having a rating AAAm or AAAm-G by a Rating Agency, including money market mutual funds from which the Related Bond Trustee, the Master Trustee or its affiliates derive a fee for investment advisory or other services to the fund.

The Master Trustee shall be entitled to assume that any investment which at the time of purchase is a Permitted Investment remains a Permitted Investment thereafter, absent receipt of written notice or information to the contrary. To the extent such investment is no longer a Permitted Investment, the Obligated Group Representative shall promptly provide the Master Trustee written notice of such status and the Master Trustee shall proceed to invest such amounts pursuant to Section 3.06 herein.

“Person” means any individual, corporation, partnership, limited liability company, firm, joint venture, association, joint stock company, trust, unincorporated organization, or government or any agency or political subdivision thereof or any other entity.

“Place of Payment” for a series of Obligations means a city or political subdivision designated as such pursuant to this Master Indenture or a Supplement.

“Post-Effective Date Refund Queue” means refunds required by Residency Agreements, other than refunds that are part of the Pre-Effective Date Refund Queue.

“Post-Effective Date Refund Queue Subaccount” means the subaccount of the Entrance Fee Fund created by Section 3.03 hereof.

“Premises” means the real property described in Exhibit A hereto and the buildings and improvements located thereon from time to time, as Exhibit A may be amended from time to time.

“Pre-Effective Date Refund Queue” means obligations and liabilities due to former life care residents listed on Exhibit C hereto.

“Pre-Effective Date Refund Queue Subaccount” means the subaccount of the Entrance Fee Fund created by Section 3.03 hereof.

“Projected Debt Service Coverage Ratio” means, for any future period, the ratio consisting of a numerator equal to the amount determined by dividing the projected Income Available for Debt Service for that period by the Maximum Annual Debt Service Requirement for the Funded Indebtedness expected to be outstanding during such period and a denominator of one; provided, however, that in calculating the Debt Service Requirements for such period, the principal amount of any Indebtedness included in such calculation which is paid during such period shall be excluded to the extent such principal amount will be paid from the proceeds of other Indebtedness incurred in accordance with the provisions of this Master Indenture; and provided further, to the extent an Interest Rate Agreement will be entered into in connection with any particular Indebtedness, the actual debt service paid after the effect of payments to be made to or to be received from the provider of the Interest Rate Agreement shall be used in the calculation.

“Projected Rate” means the projected yield at par of an obligation as set forth in the report of a Consultant. Such report shall state that in determining the Projected Rate such Consultant reviewed the yield evaluations at par of not less than three obligations (or such lesser number as the Consultant shall deem appropriate, but in no event less than one) selected by such Consultant, the interest on which is entitled to the exemption from federal income tax afforded by Section 103(a) of the Code or any successor thereto (or, if it is not expected that it will be reasonably possible to issue such tax exempt obligations, or if the interest on the Indebtedness for which the Projected Rate is being calculated is not entitled to such exemption, then obligations the interest on which is subject to federal income taxation) which obligations such Consultant states in its report are reasonable comparators for utilizing in developing such Projected Rate and which obligations: (i) were outstanding on a date selected by the Consultant which date so selected occurred during the 90 day period preceding the date of the calculation utilizing the Projected Rate in question, (ii) to the extent practicable, are obligations of Persons engaged in operations similar to those of the Obligated Group and having a credit rating similar to that of the Obligated Group, (iii) are not entitled to the benefits of any credit enhancement (including without limitation any letter or line of credit or insurance policy) if the obligation for which the Projected Rate is being determined is not benefited by any credit enhancement, and (iv) to the extent practicable, have a remaining term and amortization schedule substantially the same as the obligation with respect to which such Projected Rate is being developed.

“Property” means any and all rights, titles and interests in and to any and all property, whether real or personal, tangible (including cash) or intangible, wherever situated and whether now

owned or hereafter acquired.

“Property, Plant and Equipment” means all Property of each Member which is classified as property, plant and equipment under generally accepted accounting principles.

“Rating Agency” means Moody's, Standard & Poor's or Fitch.

“Related Bond Indenture” means any indenture, bond resolution or other comparable instrument pursuant to which a series of Related Bonds is issued.

“Related Bond Trustee” means the trustee and its successor in the trust created under any Related Bond Indenture.

“Related Bonds” means the revenue bonds or other obligations issued by any state, territory or possession of the United States or any municipal corporation or political subdivision formed under the laws thereof or any constituted authority or agency or instrumentality of any of the foregoing empowered to issue obligations on behalf thereof (“governmental issuer”), pursuant to a single Related Bond Indenture, the proceeds of which are loaned or otherwise made available to any Obligated Group Member in consideration of the execution, authentication and delivery of an Obligation to or for the order of such governmental issuer.

“Related Loan Agreement” means any loan agreement, financing agreement, credit agreement or other comparable instrument entered into in connection with a series of Related Bonds.

“Required Information Recipient” means the Master Trustee, each Related Bond Trustee, EMMA and any state information repository for the State of Texas identified by the Securities and Exchange Commission.

“Residency Agreement” means each and every contract, including without limitation any “Reservation Agreement” or “Residency Agreement”, as amended from time to time, between an Obligated Group Member and a resident of a Project giving the resident certain rights of occupancy in such Project, including, without limitation, the Independent Living Units, assisted living units, skilled nursing beds or specialty care (dementia) beds and providing for certain services to such resident.

“Responsible Officer” when used with respect to the Master Trustee means the officer in the Global Corporate Trust or comparable department of the Master Trustee having direct responsibility for administration of this Master Indenture.

“Revenue Fund” means the Revenue Fund created by Section 3.01 hereof.

“Revenues” means, for any period, (a) in the case of any Person providing health care services and/or senior living services, the sum of (i) net patient service revenues and resident service revenues, including monthly service fees, plus (ii) other operating revenues, plus (iii) non operating revenues (other than Contributions, income derived from the sale of assets not in the ordinary course of business, any gain from the extinguishment of debt or other extraordinary item, earnings which constitute Funded Interest or earnings on amounts which are irrevocably

deposited in escrow to pay the principal of or interest on Indebtedness, but including investment income), plus (iv) Entrance Fees received minus (A) Entrance Fees amortized during such Fiscal Year and (B) Entrance Fees refunded to residents; and (b) in the case of any other Person, gross revenues less sale discounts and sale returns and allowances, as determined in accordance with generally accepted accounting principles; but excluding in either case (i) any unrealized gain or loss resulting from changes in the valuation of investment securities or unrealized changes in the value of derivative investments, (ii) any gains on the sale or other disposition of fixed or capital assets not in the ordinary course, (iii) earnings resulting from any reappraisal, revaluation or write up of fixed or capital assets, (iv) any revenues recognized from deferred revenues related to Entrance Fees and (v) insurance (other than business interruption) and condemnation proceeds; provided, however, that if such calculation is being made with respect to the Obligated Group, such calculation shall be made in such a manner so as to exclude any revenues attributable to transactions between any Member and any other Member.

“Senior Obligation” means the Series 2021A Notes.

“Series 2021 Bond Indenture” means that certain Indenture of Trust dated as of _____ between New Hope Cultural Education Facilities Finance Corporation and the Series 2021 Bond Trustee.

“Series 2021 Bond Trustee” means UMB Bank, N.A., as bond trustee under the Series 2021 Bond Indenture.

“Series 2021 Bonds” means Series 2021A Bonds and the Series 2021B Bonds.

“Series 2021A Bonds” means Series 2021A-1 Bonds and the Series 2021A-2 Bonds.

“Series 2021A-1 Bonds” means the New Hope Cultural Education Facilities Finance Corporation Retirement Facility Revenue Bonds (Buckingham Senior Living Community, Inc. Project) Series 2021A-1.

“Series 2021A-2 Bonds” means the New Hope Cultural Education Facilities Finance Corporation Retirement Facility Revenue Bonds (Buckingham Senior Living Community, Inc. Project) Series 2021A-2 (Federally Taxable).

“Series 2021B Bonds” means the New Hope Cultural Education Facilities Finance Corporation Retirement Facility Revenue Bonds (Buckingham Senior Living Community, Inc. Project) Series 2021B.

“Series 2021 Notes” means the Series 2021A Note and the Series 2021B Note.

“Series 2021A Note” means the Series 2021A Note issued by the Obligor pursuant to and described in the Initial Supplemental Indenture.

“Series 2021B Note” means the Series 2021B Note issued by the Obligor pursuant to and described in the Initial Supplemental Indenture.

“Series 2021 Reserve Fund” means the debt service reserve fund established pursuant to the Series 2021 Bond Indenture.

“Series 2021 Reserve Fund Requirement” means the Reserve Fund Requirement as defined in the Related Loan Agreement for the Series 2021 Bonds.

“Short Term,” when used in connection with Indebtedness, means having an original maturity less than or equal to one year and not renewable at the option of the debtor for a term greater than one year beyond the date of original issuance.

“Standard & Poor's” means S&P Global Ratings, a corporation organized and existing under the laws of the State of New York, its successors and assigns, and, if such corporation shall be dissolved or liquidated or shall no longer perform the functions of a securities rating agency, “Standard & Poor's” shall be deemed to refer to any other nationally recognized securities rating agency designated by the Obligated Group Representative, with written notice to the Master Trustee.

“Stated Maturity” when used with respect to any Indebtedness or any installment of interest thereon means any date specified in the instrument evidencing such Indebtedness or such installment of interest as a fixed date on which the principal of such Indebtedness or any installment thereof or the fixed date on which such installment of interest is due and payable.

“Subordinated Indebtedness” means any promissory note, guaranty, lease, contractual agreement to pay money or other obligation the terms of the documents providing for the issuance of which expressly provide that all payments on such Subordinated Indebtedness shall be subordinated to the timely payment of all Obligations, whether currently Outstanding or subsequently issued.

“Subordinate Obligation” means the Series 2021B Note and any other Obligations issued on a pari passu basis with the Series 2021B Note under this Master Indenture and subordinate to the Senior Obligations.

“Supplement” means an indenture supplemental to, and authorized and executed pursuant to the terms of, this Master Indenture.

“Tax Exempt Organization” means a Person organized under the laws of the United States of America or any state thereof which is an organization described in Section 501(c)(3) of the Code, which is exempt from federal income taxes under Section 501(a) of the Code, or corresponding provisions of federal income tax laws from time to time in effect.

“Testing Date” means each June 30th and December 31st.

“Threshold Amount” means \$500,000 plus an amount equal to \$500,000 multiplied by a percentage equal to the aggregate percentage increase or decrease in the Construction Index from its level as of July 1, 2021.

“Trade Payable Requirement” has the meaning set forth in Section 4.29.

“Trigger Date” means the earlier of (i) November 15, 2026, and (ii) the date on which the Pre-Effective Date Refund Queue is paid in full.

“Trust Estate” has the meaning given such term in the Granting Clauses hereof.

“Unrestricted Reserve Amount” means 45 Days Cash on Hand.

“Working Capital Fund” means the Working Capital Fund created by Section 3.08 hereof.

Section 1.02. Compliance Certificates and Reports. Whenever the amount or date of any of the following is a condition to the taking of any action permitted hereby,

(a) Estimated Revenues, Expenses, Cash and Investments and Income Available for Debt Service of any Person for any future Fiscal Year shall be established by a certificate or report of a Consultant stating the amount of such estimated item based upon assumptions provided by such Person and stating that such assumptions are, in the opinion of the Consultant, reasonable.

(b) any of:

- (1) Revenues, Expenses, Cash and Investments and Income Available for Debt Service of any Person for any prior Fiscal Year or period,
- (2) Maximum Annual Debt Service Requirement of any Person, and
- (3) principal of and interest on any Indebtedness

shall be established by an Officer's Certificate of the Obligated Group Representative stating the amount of such item and that such amounts have been derived from either the most recent financial statements of the Obligated Group delivered to the Master Trustee pursuant to Section 4.15 hereof or, for any period other than a prior Fiscal Year, from the internally prepared financial statements of the Obligated Group for such period; and

(c) the anticipated date of completion of any construction project of any Person shall be established by an Officer's Certificate of the Obligated Group Representative; and

(d) securities shall include any amounts invested in marketable securities, whether classified as short term or long term assets.

All calculations required to be made hereunder with respect to the Obligated Group shall be made after elimination of intercompany items on a combined basis. The character or amount of any asset, liability or item of income or expense required to be determined or any consolidation, combination or other accounting computation required to be made for the purposes hereof, shall be determined or made in accordance with generally accepted accounting principles in effect on the date hereof, or at the option of the Obligated Group Representative, at the time in effect (provided that such generally accepted accounting principles are applied consistently with the requirements existing either on the date hereof or at the time in effect)

except that assets, liabilities, items of income and expenses of Affiliates which are not included in the Obligated Group shall not be taken into account, and except where such principles are inconsistent with the requirements of this Master Indenture; provided, however, that there shall not be included in any calculation of any item otherwise required to be included in such calculation with respect to any Person which has withdrawn or is withdrawing from the Obligated Group.

Section 1.03. Form of Documents Delivered to Master Trustee. In any case where several matters are required to be certified by, or covered by an opinion of, any specified Person, it is not necessary that all such matters be certified by, or covered by the opinion of, only one such Person, or that they be so certified or covered by only one document, but one such Person may certify or give an opinion with respect to some matters and one or more other such Persons as to other matters, and any such Person may certify or give an opinion as to such matters in one or several documents.

Any certificate or opinion of any officer of a Person may be based, insofar as it relates to legal matters, upon a certificate or opinion of, or representations by, counsel, unless such officer knows, or in the exercise of reasonable care should know, that the certificate or opinion or representations with respect to the matters upon which his certificate or opinion is based are erroneous. Any such certificate or Opinion of Counsel may be based, in so far as it relates to factual matters, upon a certificate or opinion of, or representations by, an officer or officers of a specified Person stating that the information with respect to such factual matters is in the possession of such Person, unless such counsel knows, or in the exercise of reasonable care should know, that the certificate or opinion or representations with respect to such matters are erroneous.

Where any Person is required to make, give or execute two or more applications, requests, consents, certificates, statements, opinions or other instruments under this Master Indenture, they may, but need not, be consolidated and form one instrument.

Section 1.04. Acts of Holders of Obligations. (a) Any request, demand, authorization, direction, notice, consent, waiver or other action provided by this Master Indenture to be given or taken by Holders of Obligations may be embodied in and evidenced by one or more instruments of substantially similar tenor signed by such Holders of Obligations in person or by agent duly appointed in writing; and, except as herein otherwise expressly provided, such action shall become effective when such instrument or instruments are delivered to the Master Trustee, and, where it is hereby expressly required, to the Obligated Group Representative. Such instrument or instruments (and the action embodied therein and evidenced thereby) are herein sometimes referred to as the "Act" of the Holders of Obligations signing such instrument or instruments. Proof of execution of any such instrument or of a writing appointing any such agent, or of the holding by any Person of unregistered Obligations, shall be sufficient for any purpose of this Master Indenture and conclusive in favor of the Master Trustee and the Obligated Group Members, if made in the manner provided in this Section.

(b) The fact and date of the execution by any Person of any such instrument or writing may be proved by the affidavit of a witness of such execution or by the certificate of any notary public or other officer authorized by law to take acknowledgments of deeds, certifying

that the individual signing such instrument or writing acknowledged to him the execution thereof. Where such execution is by an officer of a corporation or a member of a partnership, on behalf of such corporation or partnership, such certificate or affidavit shall also constitute sufficient proof of his authority.

The amount of Obligations held in bearer form held by any Person executing any such instrument or writing as a Holder of Obligations, the numbers of such Obligations, and the date of his holding the same, may be proved by the production of such Obligations or by a certificate executed, as depositary, by any trust company, bank, banker or member of a national securities exchange (wherever situated), if such certificate is in form satisfactory to the Master Trustee, showing that at the date therein mentioned such Person had on deposit with such depositary, or exhibited to it, the Obligations held in bearer form therein described; or such facts may be proved by the certificate or affidavit of the Person executing such instrument or writing as a Holder of Obligations, if such certificate or affidavit is in form satisfactory to the Master Trustee.

The Master Trustee and the Obligated Group Members may assume that such ownership of any Obligation held in bearer form continues until (1) another certificate bearing a later date issued in respect of the same Obligation is produced, or (2) such Obligation is produced by some other Person, or (3) such Obligation is registered as to principal or is surrendered in exchange for an Obligation in registered form, or (4) such Obligation is no longer Outstanding.

(c) The fact and date of execution of any such instrument or writing and the amount and numbers of Obligations held in bearer form held by the Person so executing such instrument or writing may also be proved in any other manner which the Master Trustee deems sufficient; and the Master Trustee may in any instance require further proof with respect to any of the matters referred to in this Section.

(d) The ownership of Obligations in registered form shall be proved by the Obligation Register.

(e) Any request, demand, authorization, direction, notice, consent, waiver or other action by the Holder of any Obligation shall bind every future Holder of the same Obligation and the Holder of every Obligation issued upon the transfer thereof or in exchange therefor or in lieu thereof, in respect of anything done or suffered to be done by the Master Trustee or the Obligated Group Members in reliance thereon, whether or not notation of such action is made upon such Obligation.

Section 1.05. Notices, etc., to Master Trustee and Obligated Group Members. (a) Any request, demand, authorization, direction, notice, consent, waiver or Act of Holders of Obligations or other document provided or permitted by this Master Indenture to be made upon, given or furnished to, or filed with,

(1) the Master Trustee by any Holder of Obligations or by any specified Person shall be sufficient for every purpose hereunder if actually received by the Master Trustee at UMB Bank, N.A., _____;

(2) the Obligated Group Members by the Master Trustee or by any Holder of Obligations shall be sufficient for every purpose hereunder if in writing and mailed, first class

postage prepaid, to the Obligated Group Representative addressed to it at Buckingham Senior Living Community, Inc., 8580 Woodway, Houston, Texas 77063, Attention: Chair or at any other address previously furnished in writing to the Master Trustee by the Obligated Group Representative, with a copy to Holland & Knight LLP, One Arts Plaza, 1722 Routh Street, Suite 1500, Dallas, Texas 75201, Attention: David M. Rosenberg, or at any other address previously furnished in writing to the Master Trustee by the Obligated Group Representative

(3) any Obligated Group Member by the Master Trustee or by any Holder of Obligations shall be sufficient for every purpose hereunder if in writing and mailed, registered or certified first class postage prepaid, to the Obligated Group Member addressed to it at the address specified in the Supplement executed by such Obligated Group Member or at any other address previously furnished in writing to the Master Trustee by such Obligated Group Member.

Section 1.06. Notices to Holders of Obligations; Waiver. Where this Master Indenture provides for notice to Holders of Obligations of any event, such notice shall be sufficiently given (unless otherwise herein expressly provided) if in writing and mailed, first class postage prepaid, to each Holder of such Obligations, at his address as it appears on the Obligation Register, not later than the latest date, and not earlier than the earliest date, prescribed for the transmission of such notice. Where this Master Indenture provides for notice in any manner, such notice may be waived in writing by the Person entitled to receive such notice, either before or after the event, and such waiver shall be the equivalent of such notice. Waivers of notice by Holders of Obligations shall be filed with the Master Trustee, but such filing shall not be a condition precedent to the validity of any action taken in reliance upon such waiver.

Section 1.07. Notices to Rating Agencies. If any of the Bonds are then rated by a Rating Agency, the Obligated Group Representative shall give prompt notice to such Rating Agency of any of the following events:

- (a) any Event of Default hereunder;
- (b) the incurrence by any Obligated Group Member of any Funded Indebtedness;
- (c) any addition to or withdrawal from the Obligated Group; and
- (d) any Interest Rate Agreement entered into by any Obligated Group Member.

Section 1.08. Effect of Headings and Table of Contents. The Article and Section headings herein and the Table of Contents are for convenience only and shall not affect the construction hereof.

Section 1.09. Successors and Assigns. All covenants and agreements in this Master Indenture by the Obligated Group Members shall bind their respective successors and assigns, whether so expressed or not.

Section 1.10. Separability Clause. In case any provision in this Master Indenture or in the Obligations shall be invalid, illegal or unenforceable, the validity, legality and enforceability of the remaining provisions shall not in any way be affected or impaired thereby.

Section 1.11. Regulatory Compliance. The Obligated Group acknowledges that in accordance with Section 326 of the U.S.A. PATRIOT Act, the Master Trustee, like all financial institutions and in order to help fight the funding of terrorism and money laundering, is required to obtain, verify and record information that identifies each person or legal entity that establishes a relationship or opens an account with the Master Trustee. The parties to this Master Indenture agree that they will provide the Master Trustee with such information as it may request in order for the Master Trustee to satisfy the requirements of the U.S.A. PATRIOT Act, as amended from time to time. The parties to this Master Indenture further agree to provide the Master Trustee with such documentation and information as it may request in order for the Master Trustee to comply with the Bank Secrecy Act, as amended from time to time.

Section 1.12. Electronic Transmissions. The parties hereto agree that the transactions described herein may be conducted and related documents may be stored by electronic means. Copies, telecopies, facsimiles, electronic files and other reproductions of original executed documents shall be deemed to be authentic and valid counterparts of such original documents for all purposes, including the filing of any claim, action or suit in the appropriate court of law.

ARTICLE II

THE OBLIGATIONS

Section 2.01. Series and Amount of Obligations. (a) Obligations shall be issued under this Master Indenture in series created by Supplements permitted hereunder. Each series shall be designated to differentiate the Obligations of such series from the Obligations of any other series and shall be designated as either “Senior Obligations” or “Subordinate Obligations” hereunder. The Subordinate Obligations issued by the Obligated Group shall contain a provision to the effect that the payment on such Subordinate Obligations is subordinate to the Senior Obligations issued pursuant to this Master Indenture. There shall be no Senior Obligations issued hereunder other than the Series 2021A Notes. The number of series of Obligations that may be created under this Master Indenture is not limited. The aggregate principal amount of Obligations of each series that may be created under this Master Indenture is not limited except as restricted by Supplement and the provisions of Article IV of this Master Indenture.

(b) Any Obligated Group Member proposing to incur Indebtedness, other than the Series 2021 Notes, whether evidenced by Obligations issued pursuant to a Supplement or by evidences of Indebtedness issued pursuant to documents other than this Master Indenture, shall give written notice of its intention to incur such Indebtedness, including in such notice the amount of Indebtedness to be incurred, to the Obligated Group Representative and the other Obligated Group Members. The Obligated Group Representative shall provide the Master Trustee with a copy of any such notice it receives prior to the date such Indebtedness is to be incurred. Any such Obligated Group Member, other than the Obligated Group Representative, proposing to incur such Indebtedness other than the Series 2021 Notes, shall obtain the written consent of the Obligated Group Representative, which consent shall be evidenced by an Officer's Certificate of the Obligated Group Representative filed with the Master Trustee or an endorsement to such Indebtedness signed by the Obligated Group Representative. The Series 2021 Notes are issued simultaneously with the execution and delivery hereof.

Section 2.02. Appointment of Obligated Group Representative. Each Obligated Group Member, by becoming an Obligated Group Member, irrevocably appoints the Obligated Group Representative as its agent and true and lawful attorney in fact and grants to the Obligated Group Representative (a) full and exclusive power to execute Supplements authorizing the issuance of Obligations or series of Obligations, (b) full and exclusive power to execute Obligations for and on behalf of the Obligated Group and each Obligated Group Member, (c) full and exclusive power to execute Supplements on behalf of the Obligated Group and each Obligated Group Member pursuant to Sections 9.01 and 9.02 hereof, and (d) full power to prepare, or authorize the preparation of, any and all documents, certificates or disclosure materials reasonably and ordinarily prepared in connection with the issuance of Obligations hereunder, or Related Bonds associated therewith, and to execute and deliver such items to the appropriate parties in connection therewith.

Section 2.03. Execution and Authentication of Obligations. All Obligations shall be executed for and on behalf of the Obligated Group and the Obligated Group Members by an Authorized Representative of the Obligated Group Representative. The signature of any such Authorized Representative may be manual or may be mechanically or photographically

reproduced on the Obligation. If any Authorized Representative whose signature appears on any Obligation ceases to be such Authorized Representative before delivery thereof, such signature shall remain valid and sufficient for all purposes as if such Authorized Representative had remained in office until such delivery. Each Obligation shall be manually authenticated by an authorized officer of the Master Trustee, without which authentication no Obligation shall be entitled to the benefits hereof.

The Master Trustee's authentication certificate shall be substantially in the following form:

MASTER TRUSTEE'S AUTHENTICATION CERTIFICATE

The undersigned Master Trustee hereby certifies that this is one of the Obligations referred to in the within mentioned Master Indenture.

Date of Authentication: _____,
Master Trustee

By: _____
Authorized Signatory

Section 2.04. Supplement Creating Obligations. The Obligated Group Representative (on behalf of the Obligated Group Members) and the Master Trustee may from time to time enter into a Supplement in order to create Obligations hereunder, which Obligations shall be secured by the lien of this Master Indenture. Each Supplement authorizing the issuance of Obligations shall specify and determine the date of the Obligations, the principal amount thereof, the purposes for which such Obligations are being issued, the form, title, designation, and the manner of numbering or denominations, if applicable, of such Obligations, the date or dates of maturity of such Obligations, the rate or rates of interest (or method of determining the rate or rates of interest) and premium, if any, borne by such Obligations, the arrangement for place and medium of payment, and any other provisions deemed advisable or necessary. Each Obligation shall be issuable, shall be transferable and exchangeable and shall be subject to redemption as specified in this Master Indenture and in the Supplement. Any Obligation to be held by a Related Bond Trustee in connection with the issuance of Related Bonds shall be in the principal amount equal to the aggregate principal amount of such Related Bonds and shall be registered in the name of the Related Bond Trustee as assignee of the issuer of the Related Bonds. Unless an Obligation has been registered under the Securities Act of 1933, as amended (or similar legislation subsequently enacted), each such Obligation shall be endorsed with a legend which shall read substantially as follows: "This [describe Obligation] has not been registered under the Securities Act of 1933 or any state securities law (or any such similar subsequent legislation);" provided, however, such legend shall not be required if the Master Trustee is provided with an Opinion of Counsel to the effect that such legend is not required.

A Supplement and the Obligations issued thereunder may contain, as applicable, provisions relating to bond insurance or other forms of credit enhancement, as well as any and all compatible provisions necessary in order to make the Obligations meet the requirements of an

issuer of any credit enhancement. Similarly, a Supplement may provide for Obligations to be issued in fixed or variable rate forms, as the case may be, with such tender and redemption provisions as may be deemed necessary for the issuance thereof and provide for the execution of required documents necessary for such purposes, and may specifically subordinate payment, remedies and any other provisions of the Obligations issued thereunder to the provisions of any other Obligations.

Each Supplement entered into for the issuance of Obligations shall specify whether such Obligations shall be Senior Obligations or Subordinate Obligations and, subject to such priority, may specifically subordinate payment, remedies and any other provisions of the Obligations issued thereunder to the provisions of any other Obligations.

Section 2.05. Conditions to Issuance of Obligations Hereunder. With respect to Obligations created hereunder, simultaneously with or prior to the execution, authentication and delivery of Obligations pursuant to this Master Indenture:

(a) The Obligated Group Representative (on behalf of the Obligated Group Members) and the Master Trustee shall have entered into a Supplement as provided in Section 2.04 hereof, and all requirements and conditions to the issuance of such Obligations set forth in the Supplement and in this Master Indenture, including, without limitation, the provisions of Section 4.16 hereof (provided that such provisions shall not be applicable to the Series 2021 Notes), shall have been complied with and satisfied, as provided in an Officer's Certificate of the Obligated Group Representative, a copy of which shall be delivered to the Master Trustee; and

(b) The Obligated Group Representative shall have delivered to the Master Trustee an Opinion of Counsel to the effect that (1) registration of such Obligations under the Securities Act of 1933, as amended, and qualification of this Master Indenture or the Supplement under the Trust Indenture Act of 1939, as amended, is not required, or, if such registration or qualification is required, that all applicable registration and qualification provisions of said acts have been complied with, and (2) the Master Indenture, the Supplement and the Obligations are valid, binding and enforceable obligations of each of the Obligated Group Members in accordance with their terms, except as enforceability may be limited by bankruptcy, insolvency, fraudulent conveyance and other laws affecting creditors' rights generally, usual equity principles and other customary exclusions.

Section 2.06. List of Holders of Obligations. The Master Trustee shall keep on file at its office the Obligation Register which shall consist of a list of the names and addresses of the Holders of all Obligations. At reasonable times and under reasonable regulations established by the Master Trustee, the Obligation Register may be inspected and copied by any Obligated Group Member, the Holder of any Obligation or the authorized representative thereof, provided that the ownership by such Holder and the authority of any such designated representative shall be evidenced to the satisfaction of the Master Trustee.

Section 2.07. Optional and Mandatory Redemption. Obligations of each series shall be subject to optional and mandatory redemption in whole or in part and may be redeemed prior to maturity, as provided in the Supplement creating such series, but not otherwise.

Section 2.08. Mutilated, Destroyed, Lost and Stolen Obligations. If (i) any mutilated Obligation is surrendered to the Master Trustee, or the Obligated Group Representative and the Master Trustee receives evidence to its satisfaction of the destruction, loss or theft of any Obligation, and (ii) there is delivered to the Master Trustee such security or indemnity as may be required by the Master Trustee to save it and the Obligated Group Representative harmless, then, in the absence of notice to the Obligated Group Representative or the Master Trustee that such Obligation has been acquired by a bona fide purchaser, the Obligated Group Representative shall execute and upon its request the Master Trustee shall authenticate and deliver in exchange for or in lieu of any such mutilated, destroyed, lost or stolen Obligation, a new Obligation of like tenor, priority, series, interest rate and principal amount, bearing a number not contemporaneously outstanding.

In case any such mutilated, destroyed, lost or stolen Obligation has become or is about to become due and payable, the Obligated Group Representative in its discretion may, instead of issuing a new Obligation, pay such Obligation.

Upon the issuance of any new Obligation under this Section, the Obligated Group Representative and the Master Trustee may require the payment of a sum sufficient to cover any tax or other governmental charge that may be imposed in relation thereto and any other expenses (including the fees and expenses of the Master Trustee) connected therewith.

Every new Senior Obligation or Subordinate Obligation issued pursuant to this Section in lieu of any destroyed, lost or stolen Senior Obligation or Subordinate Obligation, respectively, shall constitute an original additional contractual obligation of the maker thereof, whether or not the destroyed, lost or stolen Obligation shall be at any time enforceable by anyone, and shall be entitled to all the benefits and security of this Master Indenture equally and proportionately with any and all other Senior Obligations or Subordinate Obligations duly issued hereunder, respectively.

The provisions of this Section are exclusive and shall preclude (to the extent lawful) all other rights and remedies with respect to the replacement or payment of mutilated, destroyed, lost or stolen Obligations.

Section 2.09. Cancellation. All Obligations surrendered for payment, redemption, transfer or exchange shall, if delivered to any Person other than the Master Trustee, be delivered to the Master Trustee and, if not already canceled or required to be otherwise delivered by the terms of the Supplement authorizing the series of Obligations of which such Obligation is a part, shall be promptly canceled by it. The Obligated Group Representative may at any time deliver to the Master Trustee for cancellation any Obligations previously authenticated and delivered hereunder, which the Obligated Group Representative may have acquired in any manner whatsoever, and all Obligations so delivered shall be promptly canceled by the Master Trustee. No Obligations shall be authenticated in lieu of or in exchange for any Obligations canceled as provided in this Section, except as expressly permitted by this Master Indenture. All canceled Obligations held by the Master Trustee shall be treated by the Master Trustee in accordance with its current document retention policies.

ARTICLE III

FUNDS AND ACCOUNTS

Section 3.01. Revenue Fund. (a) The Master Trustee shall establish and maintain a separate account to be known as the “Revenue Fund” (the “Revenue Fund”). All moneys received by the Master Trustee and held in the Revenue Fund shall be trust funds under the terms of this Master Indenture for the benefit of first, all of the Senior Obligations outstanding hereunder, and second, all of the Subordinate Obligations outstanding hereunder, and shall not be subject to lien or attachment of any other creditor of any Member of the Obligated Group. Such moneys shall be held in trust and applied in accordance with the provisions of this Master Indenture. Subject to Section 3.07, each Obligated Group Member shall transfer to the Master Trustee all Gross Revenues of such Obligated Group Member (other than Entrance Fees) on each Business Day for deposit in the Revenue Fund. The Master Trustee shall deposit upon receipt thereof all Gross Revenues received from the Members of the Obligated Group in the form of cash, checks, or negotiable instruments, including Entrance Fees released from the Entrance Fee Fund as set forth in Section 3.03 hereof.

(b) On the Effective Date, the amounts held by the Master Trustee under the Original Master Indenture and any revenues held by any Obligated Group Member in its operating accounts shall be deposited in the Revenue Fund and applied as follows:

1. \$_____ to the Obligated Group Representative for deposit in its Operating Account;
2. \$_____ to the Working Capital Fund;
3. \$_____ to the Series 2021 Bond Trustee for deposit in the Series 2021 Reserve Fund under the Series 2021 Bond Indenture.

(c) On the first Business Day of each month, the Master Trustee shall withdraw and pay or deposit from the amounts on deposit in the Revenue Fund the following amounts in the order indicated:

First: (i) Until amounts on deposit in the Working Capital Fund are depleted, the Master Trustee shall transfer to the Operating Reserve Fund the amount transferred from the Working Capital Fund to the Obligated Group on such date as set forth in Section 3.08 hereof and (ii) once the Working Capital Fund is depleted, to each Obligated Group Member’s Operating Account the amount certified by the Obligated Group Representative (in a certificate delivered no later than ten Business Days prior to the first Business Day of each month setting forth in reasonable detail the projected application of the amount so certified) as necessary to (i) pay anticipated operating Expenses for the upcoming month (taking into account any unapplied amount withdrawn for such purpose in a prior month) in accordance with the Annual Budget, approved by the Master Trustee and (ii) fund the Operating Account such that the balance therein, after funding (i) above, is equal to the Unrestricted Reserve Amount;

Second: To the Series 2021 Bond Trustee, commencing December 1, 2021 and thereafter, an amount equal to one-sixth (1/6th) of the interest becoming due on the Series 2021A Note on the next succeeding interest payment date of the Series 2021A Bonds for deposit in the Series 2021A Interest Account of the Bond Fund created under the Series 2021 Bond Indenture;

Third: To the Series 2021 Bond Trustee, an amount equal to one-twelfth (1/12) of the principal due on the Series 2021A Note on the next principal payment date for the Series 2021A Bonds for deposit in the Series 2021A Principal Account of the Bond Fund created under the Series 2021 Bond Indenture;

Fourth: (i) To the Series 2021 Bond Trustee, commencing December 1, 2021 and thereafter, an amount equal to one-sixth (1/6th) of the interest becoming due on the Series 2021B Note on the next succeeding interest payment date of the Series 2021B Bonds for deposit in the Series 2021B Interest Account of the Bond Fund created under the Series 2021 Bond Indenture, and (ii) any interest becoming due and payment on any other Subordinate Obligations as set forth in the applicable Supplement, in each case, ratably, without preference or priority of any kind;

Fifth: (i) To the Series 2021 Bond Trustee, an amount equal to one-twelfth (1/12) of the principal due on the Series 2021B Note on the next principal payment date of the Series 2021B Bonds for deposit in the Series 2021B Principal Account of the Bond Fund created under the Series 2021 Bond Indenture and (ii) any amount of principal becoming due and payment on any other Subordinate Obligations as set forth in the applicable Supplement, in each case, ratably, without preference or priority of any kind;

Sixth: To the Series 2021 Bond Trustee, for deposit in the Series 2021 Reserve Fund, or any subaccount therein, such that the balance therein equals the applicable Series 2021 Reserve Fund Requirement;

Seventh: Any remaining amounts after the application of paragraphs *First* through *Sixth* above (such remaining amounts referred to as “Excess Cash”) shall be transferred as follows:

- (i) To the Operating Reserve Fund, an amount such that the balance therein and on deposit in the Operating Account (collectively, “Operating Cash”) equals 135 Days Cash on Hand (tested as of the end of each Fiscal Quarter),
- (ii) Then, any Excess Cash remaining, after the deposit required by *Seventh* (i), shall be deposited (A) into the Pre-Effective Date Refund Queue Subaccount of the Entrance Fee Fund for application as set forth in Section 3.03(d) hereof, and (B) after the Pre-Effective Date Refund Queue has been paid in full, to the Series 2021 Bond Trustee for deposit in the Excess Cash Account of the Bond Fund held under the Series 2021 Bond Indenture.

(d) The money deposited to the Revenue Fund, together with all investments thereof and investment income therefrom, shall be held in trust and applied solely as provided in this

Section and in Section 7.09 hereof. Pending disbursements of the amounts on deposit in the Revenue Fund, the Master Trustee shall promptly invest and reinvest such amounts in accordance with Section 3.04 hereof.

(e) From and after an Event of Default, moneys held in the Revenue Fund shall be disbursed or applied as determined by the Master Trustee, upon direction from the Majority Holders.

Section 3.02. Operating Reserve Fund(a) The Master Trustee shall establish and maintain a separate account to be known as the “Operating Reserve Fund” (the “Operating Reserve Fund”). All moneys received by the Master Trustee and held in the Operating Reserve Fund shall be trust funds under the terms of this Master Indenture for the benefit of first, all of the Senior Obligations outstanding hereunder, and second, the Subordinate Obligations hereunder, and shall not be subject to lien or attachment of any other creditor of any Member of the Obligated Group. Such moneys shall be held in trust and applied in accordance with the provisions of this Master Indenture. Amounts shall be transferred into the Operating Reserve Fund pursuant to Section 3.01(b), Section 3.01(c) *First* (i) and Section 3.01(c) *Seventh* hereof.

(c) On the Effective Date, an amount equal to the Initial Queue Payment shall be transferred to the Obligor from the Operating Reserve Fund. Thereafter, moneys in the Operating Reserve Fund shall be disbursed by the Master Trustee to the Operating Account of the Obligated Group Representative, or for the account of the Obligated Group Representative within seven days after receipt by the Master Trustee of an Officer’s Certificate of the Obligated Group Representative to the Master Trustee certifying that (i) the withdrawal is made to pay (A) operating Expense, (B) refunds of Charter Refund Obligations (other than Charter Refund Obligations that are part of the Pre-Effective Date Refund Queue), or (C) amounts due on any Obligations (other than optional prepayment or redemption), but not to reimburse amounts advanced by an Affiliate, (ii) the moneys are anticipated to be expended in the calendar month following the month in which the Officer’s Certificate is submitted, together with an itemized budget describing the uses for which the moneys are needed and the amount needed for each use, and (iii) no other funds are available or will reasonably be available to make the payments.

(d) From and after an Event of Default, moneys held in the Operating Reserve Fund shall be disbursed or applied as determined by the Master Trustee, upon direction from the Majority Holders.

Section 3.03 Entrance Fee Fund. (a) The Master Trustee shall establish and maintain a separate account to be known as the “Entrance Fee Fund” (the “Entrance Fee Fund”), with two subaccounts therein, the “Pre-Effective Date Refund Queue Subaccount” and the “Post-Effective Date Refund Queue Subaccount”. All moneys received by the Master Trustee and held in the Post-Effective Date Refund Queue Subaccount of Entrance Fee Fund shall be trust funds under the terms of this Master Indenture for the benefit of first, all of the Senior Obligations outstanding hereunder, and second, the Subordinate Obligations outstanding hereunder, and shall not be subject to lien or attachment of any other creditor of any Member of the Obligated Group. Such moneys shall be held in trust and applied in accordance with the provisions of this Master

Indenture. Amounts held in Pre-Effective Date Refund Queue Subaccount shall not be subject to the lien of this Master Indenture and shall held in trust for the Pre-Effective Date Refund Queue.

(b) The Members of the Obligated Group hereby agree that all Entrance Fees received by the Members of the Obligated Group shall be transferred to the Master Trustee within five Business Days of the release to the Obligated Group from any escrow imposed by state law for deposit into the Post-Effective Date Refund Queue Subaccount of the Entrance Fee Fund.

(c) Moneys in the Post-Effective Date Refund Queue Subaccount of the Entrance Fee Fund shall be disbursed by the Master Trustee on the first Business Day of each month as follows:

FIRST: to the Members to pay the Post-Effective Date Refund Queue. Such disbursements shall be made upon receipt by the Master Trustee of a written certificate of an Authorized Officer of a Member certifying that it is required by a Residency Agreement to pay refunds within the next 30 days and the amount of such refunds.

SECOND: to the Revenue Fund; provided that if on such transfer date, a refund in the Post-Effective Date Refund Queue is due and owing but unpaid because there are insufficient monies then on deposit in the Entrance Fee Fund to pay such refund in full, amounts shall be retained in the Entrance Fee Fund.

(d) The Obligated Group Representative shall deliver to the Master Trustee the financial report set forth Section 4.15(b)(ii) providing a calculation of the Days Cash on Hand as of June 30 and December 31, and if such calculation states that Days Cash on Hand exceeds 135 Days Cash on Hand, the Obligated Group Representative shall direct the Master Trustee to no later than two (2) Business Days thereafter transfer the balance of the Pre-Effective Date Refund Queue Subaccount of the Entrance Fee Fund to the Obligor and the Obligor shall transfer such amounts as soon as practicable to pay refunds that are part of the Pre-Effective Date Refund Queue on a pro rata basis. Upon receipt of certificate from the Obligated Group Representative that the Pre-Effective Date Refund Queue is paid in full, the Master Trustee shall transfer any excess amounts therein to the Revenue Fund and close the Pre-Effective Date Refund Queue Subaccount.

(e) From and after an Event of Default, moneys held in the Post-Effective Date Refund Queue Subaccount of the Entrance Fee Fund shall be disbursed or applied as determined by the Master Trustee, upon direction from the Majority Holders.

Section 3.04 Investment of Funds. Any moneys held by the Master Trustee hereunder as part of any fund or account established under this Master Indenture shall be invested or reinvested by the Master Trustee in Permitted Investments upon the receipt of an Obligated Group Representative Request (upon which the Master Trustee is entitled to rely). Any such investments shall be held by or under the control of the Master Trustee and shall mature, or be redeemable at the option of the Master Trustee at such times as it is anticipated that moneys from the particular fund will be required for the purposes of this Master Indenture. For the purpose of

any investment or reinvestment under this Section, investments shall be deemed to mature at the earliest date on which the obligor is, on demand, obligated to pay a fixed sum in discharge of the whole of such obligation. Any Permitted Investments may be purchased from or sold to the Master Trustee or any of its respective affiliates.

Section 3.05. Allocation and Transfers of Investment Income. Any investments in any fund or account shall be held by or under the control of the Master Trustee and shall be deemed at all times a part of the fund or account from which the investment was made. Any loss resulting from such investments shall be charged to such fund or account. Any interest or other gain from any fund or account from any investment or reinvestment pursuant to Section 3.04 hereof shall be credited to such fund or account unless otherwise specified in a Supplement.

Section 3.06. Master Trustee Relieved From Responsibility. The Master Trustee shall be fully protected in relying upon any Obligated Group Representative Request relating to investments in any fund, and shall not be liable for any losses or prepayment penalties as a result of complying with any such Obligated Group Representative Request, and shall not be required to ascertain any facts with respect to such Request.

Section 3.07. Operating Accounts. (a) Each Member of the Obligated Group covenants to maintain in its Operating Accounts an aggregate amount no greater than the amount required by clause *FIRST* of Section 3.01(c) hereof. Each Member shall deliver a deposit control agreement (the “DACA”), in form and substance acceptable to the Master Trustee, with respect to all of such Member’s operating accounts (the “Operating Accounts”) pursuant to which the Master Trustee will have a security interest in such Operating Accounts. Each Member hereby covenants to maintain such Operating Accounts and covenants that all Gross Revenues of the Member shall not be deposited into any account other than such Operating Accounts or the Revenue Fund hereunder, except as set forth in 3.07(b) hereof. In the event a Member determines to open additional operating accounts not subject to the DACA, it shall provide the Master Trustee at least 30 days prior notice thereof and shall deliver a deposit control agreement with respect thereto in form and substance acceptable to the Master Trustee.

(b) The Members of the Obligated Group shall cause all Medicare, Medicaid and other governmental payments to be deposited into a deposit account (the “Governmental Receivables Account”), which shall be subject to a revocable sweep or other transfer order in form and substance acceptable to the Master Trustee. Amounts on deposit in the Governmental Receivables Account shall be transferred on a daily basis into an Operating Account. Any amendment to, or revocation of, the revocable sweep or transfer order with respect to the Governmental Receivables Account or direction to the depository bank which changes the standing instructions without the prior written consent of the Master Trustee shall constitute an Event of Default hereunder.

Section 3.08. Working Capital Fund(a) The Master Trustee shall establish and maintain a separate account to be known as the “Working Capital Fund” (the “Working Capital Fund”). All moneys received by the Master Trustee and held in the Working Capital Fund shall be trust funds under the terms of this Master Indenture for the benefit of first, all of the Senior Obligations outstanding hereunder, and second, the Subordinate Obligations hereunder, and shall

not be subject to lien or attachment of any other creditor of any Member of the Obligated Group. Such moneys shall be held in trust and applied in accordance with the provisions of this Master Indenture.

(b) On the Effective Date, the Series 2021 Bond Trustee shall transfer \$ _____ to the Master Trustee for deposit in the Working Capital Fund.

(c) Until the amount deposited in the Working Capital Fund is exhausted, on the first Business Day of each month, the Master Trustee shall transfer to each Obligated Group Member's Operating Account the amount certified by the Obligated Group Representative (in a certificate delivered no later than ten Business Days prior to the first Business Day of each month setting forth in reasonable detail the projected application of the amount so certified) as necessary to (i) pay anticipated operating Expenses for the upcoming month (taking into account any unapplied amount withdrawn for such purpose in a prior month) in accordance with the Annual Budget, approved by the Master Trustee and (ii) fund the Operating Account such that the balance therein, after funding (i) above, is equal to the Unrestricted Reserve Amount.

(d) When the balance in the Working Capital Fund is zero, the account shall be closed.

(e) From and after an Event of Default, moneys held in the Working Capital Fund shall be disbursed or applied as determined by the Master Trustee, upon direction from the Majority Holders.

ARTICLE IV

COVENANTS OF THE OBLIGATED GROUP MEMBERS

Section 4.01. Title to Mortgaged Trust Estate and Lien of this Instrument. The Obligor has good and indefeasible title to the Trust Estate free and clear of any liens, charges, encumbrances, security interests and adverse claims whatsoever except the encumbrances permitted by Section 4.19 hereof. The Obligor represents that it has the right to mortgage the Trust Estate and will warrant and defend to Master Trustee, the title and the lien of this Master Indenture as a valid and enforceable mortgage thereon, subject to Permitted Encumbrances. This Master Indenture constitutes a valid and subsisting lien on the Trust Estate, all in accordance with the terms hereof, subject to Permitted Encumbrances.

Section 4.02. Further Assurances. The Obligated Group Members, upon the request of Trustee, will execute, acknowledge, deliver and record and/or file such further instruments and do such further acts as may be necessary, desirable or proper to carry out more effectively the purpose of this Master Indenture and to subject the Trust Estate to the liens and security interests hereof.

Section 4.03. Recording and Filing. The Obligor shall cause this Master Indenture and all amendments and supplements thereto and substitutions therefor and any initial financing statements, amendments thereto and continuation statements to be recorded, filed, re recorded and refiled in such manner and in such places as are necessary to protect the lien on the Trust Estate and will pay all such recording, filing, re-recording and refiling taxes, fees and other charges. Additionally, the Obligor hereby authorizes the Master Trustee at any time and from time to time to file any initial financing statements, amendments thereto and continuation statements with or without the signature of the Obligor as authorized by applicable law, as applicable to all or part of the Property. For purposes of such filings, the Obligor agrees to furnish any information requested by the Master Trustee promptly upon request by the Master Trustee. The Obligor hereby irrevocably constitutes and appoints the Master Trustee and any officer or agent of the Master Trustee, with full power of substitution, as its true and lawful attorneys in fact with full irrevocable power and authority in the place and stead of the Obligor or in the Obligor's own name to execute in the Obligor's name any documents and otherwise to carry out the purposes of this Section 4.03, to the extent that the Obligor's authorization above is not sufficient. To the extent permitted by law, the Obligor hereby ratifies all acts said attorneys in fact have lawfully done in the past or shall lawfully do or cause to be done in the future by virtue hereof. This power of attorney is coupled with an interest and shall be irrevocable. Furthermore, this Master Indenture shall also constitute a "fixture filing" for the purpose of Article 9 of the Texas Business and Commerce Code against all of the Trust Estate which is or to become fixtures. Information concerning the security interest herein granted may be obtained at the addresses of the Obligor and the Master Trustee as set forth in Section 1.05 of this Master Indenture. The Obligor's identification number assigned by its state of incorporation is correctly set forth in Section 4.07 of this Master Indenture. The Obligor shall promptly notify the Master Trustee of any change in its organizational identification number.

Section 4.04. Payment of Principal, Premium and Interest. The Obligated Group Members will duly and punctually pay the principal of (and premium, if any) and interest on the

Obligations in accordance with the terms of the Obligations and this Master Indenture.

Each Obligated Group Member hereby jointly and severally unconditionally guarantees the full and timely payment of the principal of, and premium, if any, and interest on all Outstanding Obligations which such Person has not created or otherwise made (and on which such Person is not otherwise primarily liable) in accordance with the terms thereof, whether at Stated Maturity, declaration of acceleration, call for redemption or otherwise. Such guaranty shall not be affected, modified or impaired upon the happening from time to time of any event, other than the payment of such Obligations (or provision therefor), including, without limitation, any of the following, whether or not with notice to, or the consent of, each Obligated Group Member:

- (a) the waiver, compromise, settlement, release or termination by any Person of the obligations evidenced by such Obligations or any covenant or security in support thereof;
- (b) the failure to give notice to the guarantor of the occurrence of an event of default under the terms and provisions of this Master Indenture or any agreement under which such Obligations are created, assumed, guaranteed or secured;
- (c) any failure, omission, or delay on the part of the Master Trustee or the Holder of such Obligations to enforce, assert or exercise any right, power or remedy conferred on the Master Trustee or such Holder in this Master Indenture or any other agreement under which such Obligations are created, assumed, guaranteed or secured;
- (d) the voluntary or involuntary liquidation, dissolution, sale or other disposition of all or substantially all the assets, marshaling of assets and liabilities, receivership, insolvency, bankruptcy, assignment for the benefit of creditors, reorganization or arrangement under bankruptcy or similar laws, composition with creditors or readjustment of, or other similar proceedings affecting any such guarantor or any other obligor on Obligations;
- (e) the invalidity, irregularity, illegality, unenforceability, or lack of value of, or any defect in any of the Obligations so guaranteed or any collateral security therefor; or
- (f) to the extent permitted by law, any event or action that would, in the absence of this Section, result in the release or discharge by operation of laws of such guarantor from the performance or observance of any obligation, covenant, or agreement contained in this Master Indenture.

Section 4.05. Payment of Taxes and Other Claims. Each Obligated Group Member will pay or discharge or cause to be paid or discharged before the same shall become delinquent, (1) all taxes, assessments, and other governmental charges lawfully levied or assessed or imposed upon it or upon its income, profits, or property, and (2) all lawful claims for labor, materials, and supplies which, if unpaid, might by law become a lien upon its property; provided, however, that no such Person shall be required to pay and discharge or cause to be paid and discharged any such tax, assessment, governmental charge, or claim to the extent that the amount, applicability, or validity thereof shall currently be contested in good faith by appropriate proceedings and such Person shall have established and shall maintain adequate reserves on its

books for the payment of the same.

Section 4.06. Maintenance of Properties. Each Obligated Group Member will cause all its properties used or useful in the conduct of its business to be maintained and kept in good condition, repair, and working order and supplied with all necessary equipment, ordinary wear and tear, casualty, condemnation, and acts of God excepted. Each Obligated Group Member will cause to be made all necessary repairs, renewals, replacements, betterments, and improvements thereof, all as in the judgment of the Obligated Group Representative may be necessary so that the business carried on in connection therewith may be properly and advantageously conducted at all times; provided, however, that nothing in this Section shall prevent any such Person from discontinuing the operation and maintenance of any of its properties if such discontinuance is, in the judgment of such Person (and in the opinion of the Governing Body of such Person if the property involved is any substantial part of the properties of such Person taken in the aggregate), desirable in the conduct of its business and not disadvantageous in any material respect to the Holders of the Obligations.

Section 4.07. Corporate Existence; Status of Obligated Group Members. (a) Subject to Section 5.01 hereof, each Obligated Group Member will do or cause to be done all things necessary to preserve and keep in full force and effect its corporate existence, rights (charter and statutory), and franchises; provided, however, that no Person shall be required to preserve any right or franchise if the Governing Body of such Person shall determine that the preservation thereof is no longer desirable in the conduct of its business and that the loss thereof is not disadvantageous in any material respect to the Holders of the Obligations.

(b) The Obligor's exact legal name is correctly set forth at the beginning of this Master Indenture, and the Obligor is an organization of the type specified in the first paragraph of this Master Indenture. The Obligor is formed or incorporated in or organized under the laws of the State of Texas, and has an organizational identification number of 800106804 assigned by the Secretary of State of the State of Texas. The Obligor will not cause or permit any change to be made in its name or identity unless the Obligor shall have first notified the Master Trustee in writing of such change at least 30 days prior to the effective date of such change, and shall have first taken all action required by the Master Trustee for the purpose of perfecting or protecting the lien and security interest of the Master Trustee. Failure to notify the Master Trustee of any change in name of a Member pursuant to the preceding sentence constitutes an Event of Default hereunder. The Obligor's principal place of business and chief executive office, and the place where the Obligor keeps its books and records, including recorded data of any kind or nature, regardless of the medium or recording, including software, writings, plans, specifications and schematics, has been for the preceding two months and will continue to be the address of the Obligor set forth in Section 1.05 hereof (unless the Obligor notifies the Master Trustee in writing at least 30 days prior to the date of such change).

(c) The Obligor covenants and agrees to take all action necessary to preserve its status as an organization described in section 501(c)(3) of the Code.

(d) The Obligor shall at all times be a special purpose entity, the sole purpose of which shall be to own and operate the Community. The Obligor shall maintain its assets in such a manner so that it will not be costly or difficult to segregate, ascertain or identify its individual

assets from those of any constituent party of such Obligor or any other Person.

Section 4.08. Preservation of Qualifications. Each Obligated Group Member will not allow any permit, right, license, franchise or privilege so long as it is necessary for the ownership or operation of the Facilities as a continuing care retirement community to lapse or be forfeited. If an Obligated Group Member becomes a provider of services under and a participant in the Medicare program or any successor program thereto or any program by a federal, state or local government providing for payment or reimbursement for services rendered for health care, such Obligated Group Member shall use its commercially reasonable efforts to remain fully qualified as a provider of services and a participant in such program; provided, however, that no Obligated Group Member shall be required to maintain any such qualification if (i) the Governing Board of such Person shall determine that the maintenance of such qualification is not in the best economic interest of such Person and (ii) at least 30 days prior to the discontinuance of such qualification, such Person shall notify the Required Information Recipients of such proposed discontinuance and shall provide the Required Information Recipients with a written explanation of the basis for such determination. The Obligated Group shall use its best efforts to maintain an exemption from Texas property taxes and to meet the benevolent care requirements necessary under applicable law to maintain such property tax exemption.

Section 4.09. Additions to Facilities. Any additions, improvements and extensions to the Facilities and repairs, renewals and replacements thereof, including (without limitation) any capital improvements, shall upon their acquisition become part of the Facilities.

Section 4.10. Insurance. Each Member shall maintain, or cause to be maintained at its sole cost and expense, insurance with respect to its Property, the operation thereof and its business against such casualties, contingencies and risks (including but not limited to public liability and employee dishonesty) and in amounts not less than is customary in the case of corporations engaged in the same or similar activities and similarly situated and as is adequate to protect its Property and operations. Such insurance shall include, unless the Insurance Consultant in its certificate described below, finds that such insurance is not available, is not available at reasonable rates or is not otherwise feasible for some stated reason, the following:

(a) Insurance against loss and/or damage to the Mortgaged Property under a policy or policies covering such risks as are ordinarily insured against with respect to similar facilities, including without limiting the generality of the foregoing, fire, lightning, windstorm, hail, flood (if required under (j) below), hurricane, tsunami, earthquake, volcano, explosion, riot, riot attending a strike, civil commotion, damage from aircraft, vehicle or smoke and uniform standard extended coverage and vandalism and malicious mischief endorsements including boiler coverages and machinery coverage. Such insurance shall be in an amount not less than the full insurable replacement value of the Mortgaged Property, with a deductible amount of not more than \$25,000, except that the flood (if required) and earthquake insurance may have a deductible of not more than \$50,000. No policy of insurance shall be so written that the proceeds thereof will produce less than the minimum coverage required by the preceding sentence, by reason of coinsurance provisions or otherwise. The term "full insurable replacement value" shall mean the actual replacement cost of the Mortgaged Property (excluding foundation and excavation costs and costs of underground flues, pipe, drains and other uninsurable items).

(b) Use and occupancy (or business interruption) insurance, covering interruption of the Obligor's operations in whole or in part by reason of the total or partial suspension of, or interruption in, the operation of the Mortgaged Property, including its rental of buildings, caused by the damage to or destruction of any part of the Mortgaged Property caused by any of the perils described in paragraph (a), with such exceptions as are customarily imposed by insurers, in an amount sufficient to pay the interest component of debt service, taxes (or payments in lieu of taxes) and other fixed charges and other necessary continuing expenses for a period of at least 12 months.

(c) Commercial general public liability insurance (excluding professional liability coverage as provided in paragraph (e) below), including blanket contractual liability and bodily injury liability (with employee exclusion deleted) in an occurrence or claims made form, protecting the Obligor against liability for injuries to persons and property with a combined single limit of liability coverage not less than \$1,000,000 per occurrence and \$2,000,000 annual aggregate with a deductible not to exceed \$50,000.

(d) Automobile liability insurance, including hired and non owned coverage, in an occurrence form, in the minimum amount of \$1,000,000 bodily injury and property damage combined single limit and aggregate where applicable, with a deductible not to exceed \$10,000.

(e) Professional liability insurance with limits of liability not less than \$1,000,000 annually per occurrence and \$3,000,000 annual aggregate, and with a deductible not to exceed \$50,000.

(f) Excess liability coverage in the amount of at least either straight excess or umbrella excess, covering excess of paragraphs (c), (d) and (e) of this Section 4.10 to be maintained in force so that the total coverage available under each of the aforementioned paragraphs, including this subsection, is not less than \$3,000,000 per occurrence and in the aggregate, where applicable, as excess of professional's liability, general liability and automobile liability coverage.

(g) Workers' compensation insurance or qualification as a self-insurer under the laws of the State of Texas non subscriber insurance coverage respecting all employees of the Obligor and all persons engaged in work on the Mortgaged Property, in such amount as is customarily carried by like organizations engaged in like activities of comparable size and liability exposure, and evidence from the contractor that it has workers' compensation and employer's liability insurance in place in amounts to comply with all statutory requirements and as customarily carried by general contractors.

(h) Fidelity insurance or bonds on those of its officers, managers and employees who handle funds of the Obligor in an amount not less than \$250,000.

(i) Commencing on the date of issuance of the Series 2021 Bonds, and on the date of execution of a construction contract with respect to any additions to or restorations, replacements or modifications of the Mortgaged Property, until the completion date of such construction, builder's all risk completed value insurance to the extent of the full replacement value of such portions of the Mortgaged Property, in non-reporting form for the following: soft costs, loss of

earnings/rents and physical damage for “all risks of physical loss” affecting the building or structure; materials and supplies owned by the insured with a full installation floater; foundations; temporary structures (scaffolding, construction forms, etc.); fixtures, materials and equipment to service the building or intended to become a permanent part of the building.

(j) Either (i) flood insurance in the lesser amount of (A) the principal amount of the Series 2021 Bonds and (B) the maximum amount of flood insurance available, or (ii) a certification from the Insurance Consultant that no portion of the Mortgaged Property is located in an area having “Special Flood Hazards” as that term is used in the Flood Disaster Protection Act of 1973, as amended.

The Obligated Group Representative shall annually review the insurance each Member maintains as to whether such insurance is customary and adequate. In addition, the Obligated Group Representative shall, at least once every two Fiscal Years with respect to commercial insurance and at least once every Fiscal Year with respect to self-insurance (commencing with its Fiscal Year ending December 31, 2021), cause a certificate of an Insurance Consultant or Insurance Consultants to be delivered to the Master Trustee within 120 days of the applicable Fiscal Year which (i) indicates that the insurance then being maintained by the Members meets the standards described above, or (ii) identifies any insurance described above which is not available, is not available at reasonable rates, or is unfeasible for some other reason, but stating that the insurance the Members are maintaining is customary in the case of corporations engaged in the same or similar activities and similarly situated and is adequate to protect the Obligated Group's Property and operations. The Obligated Group Representative shall cause copies of its review, or the certificates of the Insurance Consultant or Insurance Consultants, as the case may be, to be delivered promptly to the Master Trustee. The Obligated Group or any Member may self-insure if the Insurance Consultant or Insurance Consultants determine(s) that such self-insurance meets the standards set forth in the first sentence of this paragraph and is prudent under the circumstances; provided, however, that no Member of the Obligated Group shall self-insure any of its Property, Plant and Equipment.

Naming of the Master Trustee as an insured or additional insured under any insurance policy, or the furnishing to the Master Trustee of information relating thereto, shall not impose upon the Master Trustee any responsibility or duty to approve the form of such policy, the qualifications of the company issuing same or any other matters relating thereto.

Section 4.11. Rates and Charges. (a) Each Member covenants and agrees to operate all of its Facilities on a revenue producing basis and to charge such fees and rates for its Facilities and services and to exercise such skill and diligence, including obtaining payment for services provided, as to provide income from its Property together with other available funds sufficient to pay promptly all payments of principal and interest on its Indebtedness, all expenses of operation, maintenance and repair of its Property and all other payments required to be made by it hereunder to the extent permitted by law. Each Member further covenants and agrees that it will from time to time as often as necessary and to the extent permitted by law, revise its rates, fees and charges in such manner as may be necessary or proper to comply with the provisions of this Section.

(b) The Members covenant and agree that the Obligated Group Representative will

calculate the Historical Debt Service Coverage Ratio of the Obligated Group as of the end of each Fiscal Quarter (calculated based on the rolling prior twelve months), commencing with the Fiscal Quarter ended December 31, 2021, and will deliver a copy of such calculation to the Persons to whom such report is required to be delivered under Section 4.15. The Members covenant and agree that the Obligated Group Representative will maintain a Historical Debt Service Coverage Ratio of the Obligated Group as of the end of each Fiscal Quarter (calculated based on the rolling prior twelve months), commencing with the Fiscal Quarter ended December 31, 2024, of not less than 1.10:1.

(c) If, on as of the end of any Fiscal Quarter commencing with the Fiscal Quarter ended December 31, 2024, the Historical Debt Service Coverage Ratio of the Obligated Group is less than 1.10:1, the Obligated Group Representative, at the Obligated Group's expense, shall retain a Consultant within 30 days following the calculation described herein to make recommendations with respect to the rates, fees and charges of the Members and the Obligated Group's methods of operation and other factors affecting its financial condition in order to increase the Historical Debt Service Coverage Ratio to at least 1.10:1.

(d) Within 60 days of retaining any such Consultant in accordance with Section 4.23 hereof, the Obligated Group Representative shall cause a copy of the Consultant's report and recommendations (the "Initial Consultant Report") to be filed with each Member and each Required Information Recipient. Each Member shall follow each recommendation of the Consultant applicable to it to the extent permitted by law. This Section shall not be construed to prohibit any Member from serving indigent patients to the extent required for such Member to continue its qualification as a Tax-Exempt Organization or from serving any other class or classes of residents without charge or at reduced rates so long as such service does not prevent the Obligated Group from satisfying the other requirements of this Section.

(e) If the Obligated Group fails to achieve a Historical Debt Service Coverage Ratio of at least 1:10:1 by the end of the second Fiscal Quarter after the Initial Consultant Report is required to be provided as set forth in clause (d), the Obligated Group shall, if so directed by the Majority Holders, replace the manager or management company with a management company acceptable to such Majority Holders.

(f) Notwithstanding the foregoing, it shall constitute an Event of Default under the Master Indenture if: (a) the Obligated Group fails to maintain a Historical Debt Service Coverage Ratio of at least 1.00:1 (calculated based on the rolling prior twelve months) as of the end of any Fiscal Quarter on or after the Fiscal Quarter ended June 30, 2024, or (b) the Obligated Group fails to maintain a Historical Debt Service Coverage Ratio of at least 1:10:1 as of the end of any two consecutive Fiscal Quarters on or after the Fiscal Quarter ended December 31, 2024.

Section 4.12. Damage or Destruction. Each Member agrees to notify the Master Trustee immediately in the case of the destruction of its Facilities or any portion thereof as a result of fire or other casualty, or any damage to such Facilities or portion thereof as a result of fire or other casualty, the Net Proceeds of which are estimated to exceed the Threshold Amount. If such Net Proceeds do not exceed the Threshold Amount, such Net Proceeds may be paid directly to the Member suffering such casualty or loss. The Members covenant that they will

expend or contract to expend an amount not less than the amount of any such Net Proceeds within 24 months after receipt thereof to (i) repair, replace or restore the damaged or destroyed Facilities, (ii) acquire or construct additional capital assets for any one or more Members, or (iii) repay the principal portion of any Indebtedness incurred by any one or more Members of the Obligated Group to acquire or construct capital assets or refinance Indebtedness incurred for such purpose.

In the event such Net Proceeds exceed the Threshold Amount, the Member suffering such casualty or loss shall within 12 months after the date on which the Net Proceeds are finally determined, elect by written notice to the Master Trustee one of the following three options:

(a) Option A Repair and Restoration. Such Member may elect to replace, repair, reconstruct, restore or improve any of the Facilities of the Obligated Group or acquire additional Facilities for the Obligated Group. In such event, an amount equal to the Net Proceeds of any insurance relating thereto shall be deposited, when received, with the Master Trustee and such Member shall proceed forthwith to replace, repair, reconstruct, restore or improve Facilities of the Obligated Group or to acquire additional Facilities and will apply the Net Proceeds of any insurance relating to such damage or destruction received from the Master Trustee to the payment or reimbursement of the costs of such replacement, repair, reconstruction, restoration, improvement or acquisition. So long as an Event of Default has not occurred and is continuing hereunder, any Net Proceeds of insurance relating to such damage or destruction received by the Master Trustee shall be released from time to time by the Master Trustee to such Member upon the receipt by the Master Trustee:

- (i) the Request of such Member specifying the expenditures made or to be made in connection with such restoration, replacement, repairs, improvements and acquisitions and stating that such Net Proceeds, together with any other moneys legally available for such purposes, will be sufficient to complete such restoration, replacement, repairs, improvements and acquisition; and
- (ii) if such expenditures were or are to be made for the construction or renovation of Facilities, the written approval of such Request by an independent architect.

It is further understood and agreed that in the event such Member shall elect this Option (A), such Member shall complete the replacement, repair, reconstruction, restoration, improvement and acquisition of the Facilities, whether or not the Net Proceeds of insurance received for such purposes are sufficient to pay for the same.

(b) Option B Prepayment of Obligations. Such Member may elect to have all of the Net Proceeds payable as a result of such damage or destruction applied to the prepayment of the Obligations. In such event such Member shall, in its notice of election to the Master Trustee, direct the Master Trustee to apply such Net Proceeds, when and as received, to the prepayment of all Senior Obligations on a pro rata basis, and after the Senior Obligations are paid in full, to the prepayment of all Subordinate Obligations on a pro rata basis.

(c) Option C Partial Restoration and Partial Prepayment of Obligations. Such

Member may elect to have a portion of such Net Proceeds applied to the replacement, repair, reconstruction, restoration and improvement of the Facilities of the Obligated Group or the acquisition of additional Facilities for the Obligated Group with the remainder of such Net Proceeds to be applied to prepay all Senior Obligations on a pro rata basis, and after the Senior Obligations are paid in full, to the prepayment of all Subordinate Obligations on a pro rata basis, in which event such Net Proceeds to be used for replacement, repair, reconstruction, restoration, improvement and acquisition shall be applied as set forth in subparagraph (a) of this Section 4.12 and such Net Proceeds to be used for prepayment of the Obligations shall be applied as set forth in subparagraph (b) of this Section.

Notwithstanding the foregoing, the proceeds of business interruption insurance are not subject to the provisions of this Section.

Section 4.13. Condemnation. The Master Trustee shall cooperate fully with the Members in the handling and conduct of any prospective or pending condemnation proceedings with respect to their Facilities or any part thereof. Each Member hereby irrevocably assigns to the Master Trustee, as its interests may appear, all right, title and interest of such Member in and to any Net Proceeds of any award, compensation or damages payable in connection with any such condemnation or taking, or payment received in a sale transaction consummated under threat of condemnation (any such award, compensation, damages or payment being hereinafter referred to as an “award”), which exceeds the Threshold Amount. Such Net Proceeds shall be initially paid to the Master Trustee for disbursement or use as hereinafter provided. If such Net Proceeds do not exceed the Threshold Amount, such Net Proceeds may be paid to the Member in question. The Members covenant that they will expend or contract to expend an amount not less than the amount of any such Net Proceeds within 24 months of the receipt thereof to (i) restore, replace or repair the condemned Facilities, (ii) acquire or construct additional capital assets, or (iii) repay the principal portion of Indebtedness incurred by one or more Members of the Obligated Group to acquire or construct capital assets or to refinance Indebtedness incurred for such purpose.

In the event such Net Proceeds exceed the Threshold Amount, the Member in question shall within 12 months after the date on which the Net Proceeds are finally determined elect by written notice of such election to the Master Trustee one of the following three options:

(a) Option A Repairs and Improvements. The Member may elect to use the Net Proceeds of the award for restoration or replacement of or repairs and improvements to the Facilities of the Obligated Group or the acquisition of additional Facilities for the Obligated Group. In such event, so long as an Event of Default has not occurred and is continuing hereunder, such Member shall have the right to receive such Net Proceeds from the Master Trustee from time to time upon the receipt by the Master Trustee of:

(i) the Request of such Member specifying the expenditures made or to be made in connection with such restoration, replacement, repairs, improvements and acquisitions and stating that such Net Proceeds, together with any other moneys legally available for such purposes, will be sufficient to complete such restoration, replacement, repairs, improvements and acquisition; and

(ii) if such expenditures were or are to be made for the construction or renovation of Facilities, the written approval of such Request by an independent architect.

(b) Option B Prepayment of Obligations. Such Member may elect to have such Net Proceeds of the award applied to the prepayment of the Obligations. In such event such Member shall, in its notice of election to the Master Trustee, direct the Master Trustee to apply such Net Proceeds, when and as received, to the prepayment of all Senior Obligations on a pro rata basis, and after the Senior Obligations are paid in full, to the prepayment of all Subordinate Obligations on a pro rata basis.

(c) Option C Partial Restoration and Partial Prepayment of Obligations. Such Member may elect to have a portion of such Net Proceeds of the award applied to the repair, replacement, restoration and improvement of the Facilities of the Obligated Group or the acquisition of additional Facilities for the Obligated Group, with the remainder of such Net Proceeds to be applied to the prepayment of all Senior Obligations on a pro rata basis, and after the Senior Obligations are paid in full, to the prepayment of all Subordinate Obligations on a pro rata basis, in which event such Net Proceeds to be used for repair, replacement, restoration, improvement and acquisition shall be applied as set forth in subparagraph (a) of this Section 4.13 and such Net Proceeds to be used for prepayment of the Obligations shall be applied as set forth in subparagraph (b) of this Section.

Section 4.14. Other Provisions with Respect to Net Proceeds. Amounts received by the Master Trustee in respect of any awards shall, at the Request of the Obligated Group Representative, be deposited with the Master Trustee in a special trust account and be invested or reinvested by the Master Trustee as directed in writing by the Obligated Group Representative in Permitted Investments subject to any Member's right to receive the same pursuant to Sections 4.12 and 4.13 hereof. If any Member elects to proceed under either Section 4.12(a) or (c) or 4.13(a) or (c), any amounts in respect of such Net Proceeds not so paid to such Member shall be used to prepay Senior Obligations on a pro rata basis, and after the Senior Obligations are paid in full, to the prepayment of all Subordinate Obligations on a pro rata basis.

Section 4.15. Financial Statements, Etc. (a) The Members covenant that they will keep or cause to be kept proper books of records and accounts in which full, true and correct entries will be made of all dealings or transactions of or in relation to the business and affairs of the Obligated Group in accordance with generally accepted accounting principles consistently applied except as may be disclosed in the notes to the audited financial statements referred to in subparagraph (b) below. To the extent that generally accepted accounting principles would require consolidation of certain financial information of entities which are not Members of the Obligated Group with financial information of one or more Members, consolidated financial statements prepared in accordance with generally accepted accounting principles which include information with respect to entities which are not Members of the Obligated Group may be delivered in satisfaction of the requirements of this Section 4.15 so long as: (i) supplemental information in sufficient detail to separately identify the information with respect to the Members of the Obligated Group is delivered to the Required Information Recipients with the audited financial statements; (ii) such supplemental information has been subjected to the auditing procedures applied in the audit of the consolidated financial statements delivered to the Required Information Recipients and, in the opinion of the accountant, is fairly stated in all

material respects in relation to the consolidated financial statements taken as a whole; and (iii) such supplemental information is used for the purposes hereof or for any agreement, document or certificate executed and delivered in connection or pursuant to this Master Indenture.

(b) The Obligated Group Representative will furnish or cause to be furnished to each Required Information Recipient, the following:

(i) As soon as practicable after the information is available but in no event more than 45 days after the completion of each month, a monthly statement of the Obligated Group, including (A) a calculation of the marketing/reservation levels for the Community as of the end of such month, including the number of units that have been Reserved or cancelled during that month and on an aggregate basis, occupancy levels of the Community as of the end of such month including the number of units that were Occupied and vacated during that month and on an aggregate basis; (B) a summary of Entrance Fees received, including anticipated move in dates; (C) a summary statement on the status of any construction until the issuance of a completion certificate; (D) an unaudited statement of revenues and expenses and statement of cash flows of the Obligated Group for such month and an unaudited balance sheet of the Obligated Group as of the end of such month; (E) statements of the balances for each fund and account required to be established hereunder or under any Related Bond Indenture as of the end of such month (obtained from the applicable trustee), all in reasonable detail and certified by an officer of the Obligated Group Representative; (F) comparison of actual to the Annual Budget for such month, including explanation of any variances in excess of 10% of the Annual Budget; and (G) compliance with the Trade Payable Requirements.

(ii) As soon as practicable after the information is available but in no event more than 45 days after the completion of each Fiscal Quarter, a quarterly statement of the Obligated Group, which includes the information set forth in Section 4.15(b)(i) on a quarterly basis and calculations of the Liquidity Requirement, Historical Debt Service Coverage Ratio, the ILU Occupancy Requirement and the Healthcare Occupancy Requirement as of the end of the most recent Fiscal Quarter.

(iii) Within 150 days of the end of each Fiscal Year, an annual audited financial report of the Obligated Group prepared by a firm of certified public accountants, including a combined and an unaudited combining balance sheet as of the end of such Fiscal Year and a combined and an unaudited combining statement of changes in fund balances for such Fiscal Year and a combined and an unaudited combining statement of revenues and expenses for such Fiscal Year, showing in each case in comparative form the financial figures for the preceding Fiscal Year, together with a separate written statement of the accountants preparing such report containing calculations of the Obligated Group's Historical Debt Service Coverage Ratio for said Fiscal Year and the Liquidity Requirement and a statement that such accountants have no knowledge of any default under this Master Indenture, or if such accountants shall have obtained knowledge of any such default or defaults, they shall disclose in such statement the default or defaults and the nature thereof.

(iv) On or before the date of delivery of the financial reports referred to in subsection (iii) above, an Officer's Certificate of the Obligated Group Representative (A) stating that the Obligated Group is in compliance with all of the terms, provisions and conditions of this Master Indenture or if not, specify all such defaults and the nature thereof, (B) calculating and certifying the marketing and occupancy percentages, Liquidity Requirement, and Historical Debt Service Coverage Ratio, as of the end of such Fiscal Quarter and as of the end of such Fiscal Year.

(v) On or before the date of delivery of the financial reports referred to in subsections (ii) and (iii) above, a management's discussion and analysis of results for the applicable fiscal period.

(vi) At least 20 days prior to the end of each Fiscal Year, the Obligated Group Representative shall deliver a summary of the Operating Budget and budget for capital expenditures (the "Capital Budget") for the next succeeding Fiscal Year to the Master Trustee and each Required Information Recipient, which shall be satisfactory to the Master Trustee for a Fiscal Year (the "Annual Budget"). The Capital Budget for each Fiscal Year shall not exceed the amounts set forth in Exhibit D hereto for the Fiscal Years 2021 through 2030. The Annual Budget, except the Capital Budget, shall be deemed satisfactory to the Master Trustee if the procedures set forth in Section 4.28 hereof are satisfied. The Capital Budget shall be deemed satisfactory to the Master Trustee if it does not exceed the amounts shown on Exhibit D and thereafter, if approved by the holders of the Majority Holders. The Buckingham shall not expend more than the amount set forth on Exhibit D in any Fiscal Year; provided that unexpended amounts in from one Fiscal Year may be expended in a future Fiscal Year.

(vii) At any time during the Fiscal Year, copies of (A) any board-approved revisions to the Annual Budget, which have been approved by the Master Trustee or (B) any correspondence to or from the Internal Revenue Service questioning or contesting the status of a Member as an organization described in Section 501(c)(3) of the Code or with respect to the tax-exempt status of the Series 2021 Bonds or any Related Bonds the interest on which is excludable from the gross income of the owners thereof for federal income tax purposes, promptly upon receipt.

(viii) Such additional information as the Master Trustee or any Related Bond Trustee may reasonably request concerning any Member in order to enable the Master Trustee or such Related Bond Trustee to determine whether the covenants, terms and provisions of this Master Indenture have been complied with by the Members and for that purpose all pertinent books, documents and vouchers relating to the business, affairs and Property (other than patient, donor and personnel records) of the Members shall, to the extent permitted by law, at all times during regular business hours be open to the inspection of such accountant or other agent (who may make copies of all or any part thereof) as shall from time to time be designated by the Master Trustee or such Related Bond Trustee.

(c) The Members also agree that, within 10 days after its receipt thereof, the Obligated Group Representative will file with the Required Information Recipients a copy of each Consultant's report or counsel's opinion required to be prepared under the terms of this Master Indenture.

(d) The Obligated Group agrees to hold conference calls on or about the 20th day of each month through and including the 20th day of [First Anniversary of Effective Date], and then quarterly thereafter within 10 Business Days of delivery of the reporting required above to review the progress of marketing and occupancy of the Community and the Obligated Group's financial performance; provided however, if requested by the Majority Holders, at any time, the Obligated Group shall revert to hosting monthly calls. Participation in these conference calls will be available to all Bondholders. The Obligated Group Representative will send a notice to EMMA at least one week prior to each conference call, with the call-in number.

(e) The Obligated Group Representative shall give prompt written notice of a change of accountants by the Obligated Group to the Master Trustee and each Related Bond Trustee. The notice shall state (i) the effective date of such change; (ii) whether there were any unresolved disagreements with the former accountants on any matter of accounting principles or practices, financial statement disclosure, or auditing scope or procedure, which the accountants claimed would have caused them to refer to the disagreement in a report on the disputed matter, if it was not resolved to their satisfaction; and (iii) such additional information relating thereto as such Related Bond Trustee or the Master Trustee may reasonably request.

(f) Without limiting the foregoing, each Member will permit, upon reasonable notice, the Master Trustee or any such Related Bond Trustee (or such persons as they may designate) to visit and inspect, at the expense of such Person, its Property and to discuss the affairs, finances and accounts of the Obligated Group with its officers and independent accountants, all at such reasonable times and locations and as often as the Master Trustee or such Related Bond Trustee may reasonably desire.

(g) The Obligated Group Representative may designate a different Fiscal Year for the Members of the Obligated Group by delivering a notice to the Master Trustee designating the first and last day of such new Fiscal Year and whether or not there will be any interim fiscal period (the "Interim Period") of a duration of greater than or less than 12 months preceding such new Fiscal Year. The Members covenant that they will furnish to the Master Trustee and each

Related Bond Trustee, as soon as practicable after they are available, but in no event more than 150 days after the last day of such Interim Period, a financial report for such Interim Period certified by a firm of nationally or regionally recognized independent certified public accountants selected by the Obligated Group Representative covering the operations of the Obligated Group for such Interim Period and containing a combined balance sheet as of the end of such Interim Period and a combined statement of changes in fund balances and changes in financial position for such Interim Period and a combined statement of revenues and expenses for such Interim Period, showing in each case in comparative form the financial figures for the comparable period in the preceding Fiscal Year, together with a separate written statement of the accountants preparing such report containing a calculation of the Obligated Group's Historical Debt Service Coverage Ratio for the Interim Period and a statement that such accountants have obtained no knowledge of any default by any Member in the fulfillment of any of the terms, covenants, provisions or conditions of this Master Indenture, or if such accountants shall have obtained knowledge of any such default or defaults, they shall disclose in such statement the default or defaults and the nature thereof (but such accountants shall not be liable directly or indirectly to anyone for failure to obtain knowledge of any default).

(h) Delivery of such reports, information and documents described in this Section 4.15 (the "Financial Information") to the Master Trustee or any Related Bond Trustee is for informational purposes only, and the Master Trustee's or the Related Bond Trustee's receipt thereof shall not constitute notice to it of any information contained therein or determinable from information contained therein, including compliance by the Obligated Group or the Obligated Group Members with any of its or their covenants hereunder, as to which the Master Trustee or any Related Bond Trustee are entitled to rely exclusively on Officer's Certificates. The Master Trustee shall have no duty to review the Financial Information, is not considered to have notice to the content of such Financial Information or default or Event of Default based on such Financial Information, and the Master Trustee does not have a duty to verify the accuracy of such Financial Information.

(i) Notwithstanding anything herein to the contrary, failure to make any filing under this Section 4.15 shall constitute an Event of Default hereunder only if such failure continues for a period of 60 days after the date on which written notice of such failure, requiring the same to be remedied, shall have been given to the Obligated Group Representative by the Master Trustee, or to the Obligated Group Representative and the Master Trustee by the Majority Holders.

Section 4.16. Permitted Additional Indebtedness. So long as any Obligations are Outstanding, the Obligated Group will not incur any Additional Indebtedness (whether or not incurred through the issuance of Additional Obligations) other than:

(a) Funded Indebtedness, if prior to incurrence thereof or, if such Funded Indebtedness was incurred in accordance with another subsection of this Section 4.16 and any Member wishes to have such Indebtedness classified as having been issued under this subsection (a), prior to such classification, there is delivered to the Master Trustee:

- (i) The Series 2021A Notes and the Pre-Effective Date Refund Queue have been paid in full; and

(ii) an Officer's Certificate to the effect that (A) for the most recent Fiscal Year for which audited financial statements have been filed with the Master Trustee as required by this Master Indenture, the Historical Pro Forma Debt Service Coverage Ratio of the Obligated Group was not less than 1.25:1, taking into account such additional Funded Indebtedness as if issued at the beginning of such Fiscal Year, (B) the Obligated Group has at least 150 Days Cash on Hand, and (C) no default or Event of Default shall exist; or

(b) Funded Indebtedness for the purpose of refunding (whether in advance or otherwise) any outstanding Funded Indebtedness if prior to the incurrence thereof an Officer's Certificate of a Member is delivered to the Master Trustee stating that, taking into account the issuance of the proposed Funded Indebtedness and the application of the proceeds thereof and any other funds available to be applied to such refunding, the Annual Debt Service Requirement of the Obligated Group will not be increased in the then current or any future Fiscal Year; provided that no Funded Indebtedness shall be issued hereunder with respect to the Subordinate Obligations until the Senior Obligations are paid in full or if such Funded Indebtedness shall provide for the payment in full of all Senior Obligations.

(c) Capitalized Leases, provided that at no time shall the aggregate principal amount of Capitalized Leases then Outstanding exceed \$1,000,000.

(d) Subordinated Indebtedness or Non-Recourse Indebtedness, provided that at the time of incurrence of such Subordinated Indebtedness or Non-Recourse Indebtedness, the Series 2021 Notes has been paid in full.

Any Indebtedness issued pursuant to Section 4.16(a) and (b) shall be secured on subordinate basis to the Senior Obligations and on a parity with the Subordinate Obligations hereunder. No Indebtedness incurred by any Member of the Obligated Group may be secured on a senior basis to or a parity with the Series 2021A Note.

The provisions of this Master Indenture notwithstanding, the Members of the Obligated Group may not incur any Additional Indebtedness the proceeds of which will be used for the acquisition of real Property or the construction of any Facilities unless the right, title and interest in any assets to be financed or refinanced with the proceeds of such Additional Indebtedness and the real estate upon which such assets will be located have been mortgaged and assigned to the Master Trustee pursuant to a mortgage or deed of trust in substantially the form of the Mortgage and such assets and real estate are not subject to any other lien except for Permitted Encumbrances.

Section 4.17. Calculation of Debt Service and Debt Service Coverage. The various calculations of the amount of Indebtedness of a Person, the amortization schedule of such Indebtedness and the debt service payable with respect to such Indebtedness required under certain provisions of this Master Indenture shall be made in a manner consistent with this Section 4.17.

In determining the amount of debt service payable on Indebtedness in the course of the various calculations required under certain provisions of this Master Indenture, if the terms of the Indebtedness being considered are such that interest thereon for any future period of time is expressed to be calculated at a varying rate per annum, a formula rate or a fixed rate per annum based on a varying index, then for the purpose of making such determination of debt service, interest on such Indebtedness for such period (the “Determination Period”) shall be computed by assuming that the rate of interest applicable to the Determination Period is equal to the average of the rate of interest (calculated in the manner in which the rate of interest for the Determination Period is expressed to be calculated) which was in effect on the last date of each of the 12 full calendar months immediately preceding the month in which such calculation is made; provided that if the index or other basis for calculating such interest was not in existence for at least 12 full calendar months next preceding the date of calculation, the rate of interest for such period shall be deemed to be the average rate of interest that was in effect on the last day of each full calendar month next preceding the date of calculation; and if the average rate of interest borne by such Indebtedness for such shorter period cannot be calculated, the rate of interest for such period shall be deemed to be the Projected Rate. No debt service shall be deemed payable upon the exercise by a holder of Extendable Indebtedness of the option to tender such Indebtedness for payment.

Obligations issued to secure Indebtedness permitted to be incurred under Section 4.16 shall not be treated as Additional Indebtedness.

No Additional Indebtedness shall be deemed to arise when Indebtedness which bears interest at a variable rate of interest is converted to Indebtedness which bears interest at a fixed rate or the method of computing the variable rate on such Indebtedness is changed.

For purposes of the various calculations required under this Master Indenture for Capitalized Leases, the Capitalized Rentals under a Capitalized Lease at the time of such calculation shall be deemed to be the principal payable thereon.

Anything herein to the contrary notwithstanding, any portion of any Indebtedness of any Member for which an Interest Rate Agreement has been obtained by such Member shall be deemed to bear interest for the period of time that such Interest Rate Agreement is in effect at a net rate which takes into account the interest payments made by such Member on such Indebtedness and the payments made or received by such Member on such Interest Rate Agreement; provided that the long term credit rating of the provider of such Interest Rate Agreement (or any guarantor thereof) is in one of the three highest rating categories of any Rating Agency (without regard to any refinements of gradation of rating category by numerical modifier or otherwise) or is at least as high as that of the Obligated Group. In addition, so long as any Indebtedness is deemed to bear interest at a rate taking into account an Interest Rate Agreement, any payments made by a Member on such Interest Rate Agreement shall be excluded from Expenses and any payments received by a Member on such Interest Rate Agreement shall be excluded from Revenues, in each case, for all purposes of this Master Indenture.

Section 4.18. Sale or Lease of Property. Each Member agrees that it will not sell, lease,

donate, transfer or otherwise dispose (including without limitation any involuntary disposition) of Property (either real or personal property, including Cash and Investments) unless the Obligated Group Representative determines that the Property has been sold, leased, donated, transferred or otherwise disposed of in one or more of the following transfers or other dispositions of Property:

(a) In return for other Property of equal or greater value and usefulness, provided that this provision shall not apply any real property, building or improvements of any Member;

(b) In the ordinary course of business upon fair and reasonable terms, including without limitations leases for space at the Facilities for services to be provided to the residents;

(c) To any Person, if prior to such sale, lease or other disposition there is delivered to the Master Trustee an Officer's Certificate of a Member stating that, in the judgment of the signer, such Property has, or within the next succeeding 24 calendar months is reasonably expected to, become inadequate, obsolete, worn out, unsuitable, unprofitable, undesirable or unnecessary and the sale, lease or other disposition thereof will not impair the structural soundness, efficiency or economic value of the remaining Property;

(d) From a Member to another Member; provided that no portion of the Facilities financed with proceeds of any series of Related Bonds may be transferred by the Obligor to any other Member unless the Bond Trustee has received an opinion of nationally recognized bond counsel to the effect that such transfer will not adversely affect (i) the validity of such Related Bonds or (ii) with respect to any Related Bonds the interest on which is tax-exempt, the exclusion of interest on such Related Bonds from the gross income of the owners thereof for federal income tax purposes;

(e) The Property sold, leased, donated, transferred or otherwise disposed of does not, for any consecutive 12 month period, exceed 3% of the total Book Value provided that such Property may only be sold, leased, donated, transferred or otherwise disposed of if (i) the Historical Debt Service Coverage Ratio was not less than 1.20:1 for the last Fiscal Year for which audited financial statements have been delivered to the Master Trustee and (ii) as of the end of the last fiscal quarter for which financial statements have been delivered to the Master Trustee as required under Section 4.15 hereof, the Obligated Group had not less than 250 Days Cash on Hand after giving effect to the transaction. If the Historical Debt Service Coverage Ratio as calculated above is not less than 1.20:1, the foregoing percentage of the total Book Value or Current Value may be increased as follows under the following conditions:

(A) to 5%, if Days Cash on Hand would not be less than 300 after the effect of such sale, lease or disposition of assets; or

(B) to 7.5%, if Days Cash on Hand would not be less than 400 after the effect of such sale, lease or disposition of assets; or

(C) to 10%, if Days Cash on Hand would not be less than 500 after the effect of such sale, lease or disposition of assets;

(g) To any Person if such Property consists solely of assets which are specifically restricted by the donor or grantor to a particular purpose which is inconsistent with their use for payment on the Obligations.

No transfer of any of the Obligated Group Members' cash or investments will be made until the Series 2021 Notes are paid in full. For avoidance of doubt, it is understood that this Section 4.18 does not prohibit any transfer of cash by a Member in payment of any of its obligations, indebtedness and liabilities, the incurrence of which obligation, indebtedness or liability did not or would not, either immediately or with the giving of notice, the passage of time or both, result in the occurrence of an Event of Default.

For purposes of this Section 4.18, payments by the Obligated Group of any development, marketing, operating, or other subordinated fees that have been deferred from the year in which they were originally due as a result of subordination will not be treated as a disposition of Property.

In connection with any sale, lease or other disposition of Property, to the extent the Member of the Obligated Group receives Property in return for such sale, lease or disposition, the Property which is sold, leased or disposed of shall be treated, for purposes of the provisions of this Section 4.18, as having been transferred in satisfaction of the provisions of Subsection (a) above to the extent of the fair market value of the Property received by the Member of the Obligated Group. The Member shall be required, however, to satisfy the conditions contained in one of the other provisions of this Section 4.18 with respect to the remaining value of such Property in excess of the fair market value of the Property received by the Member in return therefor prior to any such sale, lease or other disposition.

Each Member further agrees that it will not sell, lease, donate or otherwise dispose of Property (A) which could reasonably be expected at the time of such sale, lease, donation or disposition to result in a reduction of the Historical Debt Service Coverage Ratio for the Obligated Group such that the Master Trustee would be obligated to require the Obligated Group to retain a Consultant pursuant to Section 4.11 hereof, or (B) if a Consultant has been retained in the circumstances described in Section 4.11 hereof, such action, in the opinion of such Consultant, will have an adverse effect on the Income Available for Debt Service of the Obligated Group. The rendering of any service, the making of any loan or gift, the extension of any credit or any other transaction, with any Affiliate shall be permitted if there is compliance with any of Subsections (a) through (g) above or if such transaction is pursuant to the reasonable requirements of such Member's activities and upon fair and reasonable terms no less favorable to it than would obtain in a comparable arm's length transaction with a person not an Affiliate.

Section 4.19. Liens on Property. (a) Each Member covenants that it will not create or permit to be created or remain and, at its cost and expense, promptly discharge or terminate all Liens on its Property or any part thereof which are not Permitted Encumbrances.

Section 4.20. Liquidity Covenant. (a) The Obligated Group covenants that it will calculate the Days Cash on Hand of the Obligated Group on a quarterly basis as of the end of each Fiscal Quarter and will deliver a copy of such calculation to the Persons to whom such report is required to be delivered under Section 4.15 hereof.

(b) Each Obligated Group Member covenants to conduct its business so that as of each Testing Date, commencing December 31, 2021, the Obligated Group shall maintain no less than (i) 65 Days Cash on Hand as of December 31, 2021, June 30, 2022, and December 31, 2022 and (ii) 100 Days Cash on Hand as of June 30, 2023 and on each Testing Date thereafter (the “Liquidity Requirement”).

(c) If the Days Cash on Hand as of any Testing Date is less than the Liquidity Requirement, the Obligated Group Representative, at the Obligated Group’s expense, shall engage a Consultant within 30 days following the applicable calculation described above to make recommendations with respect to the rates, fees and charges of the Members and the Obligated Group’s methods of operation and other factors affecting its financial condition in order to increase the Days Cash on Hand to the Liquidity Requirement. Additionally, if the Corporation fails to generate Excess Cash as of any Testing Date in accordance with the projections set forth in Exhibit F hereto, subject to a 10% variance from projections, the Obligated Group Representative, at the Obligated Group’s expense, shall engage a Consultant within 30 days following the applicable calculation described above to make recommendations with respect to the rates, fees and charges of the Members and the Obligated Group’s methods of operation and other factors affecting its financial condition in order to increase the amount of Excess Cash to the amount set forth in the projections.

(d) Within 60 days of retaining any such Consultant in accordance with Section 4.23 hereof, the Obligated Group Representative shall cause a copy of the Consultant’s report and recommendations (the “Initial Consultant Report” for purposes of this Section) to be filed with each Member and each Required Information Recipient. Each Member shall follow each recommendation of the Consultant applicable to it, as permitted by law. This Section shall not be construed to prohibit any Member from serving any class or classes of residents without charge or at reduced rates so long as such service does not prevent the Obligated Group from satisfying the other requirements of this Section.

(e) If the Obligated Group fails to meet the Liquidity Requirement by the end of the second Fiscal Quarter after the Consultant report is required to be provided as set forth in clause (d) above, the Obligated Group shall, if so directed by the Majority Holders, appoint an independent third party manager acceptable to such Majority Holders or if a third party manager is then managing the Facility, replace the manager with a manager acceptable to such Majority Holders.

(f) Notwithstanding anything herein to the contrary, it shall be an Event of Default under this Master Indenture if: (i) the Obligated Group fails to meet the Liquidity Requirement for any two consecutive Testing Dates, or (ii) the Obligated Group fails to maintain at least (A) 50 Days Cash on Hand as of December 31, 2021, June 30, 2022, or December 31, 2022 or (B) 90 Days Cash on Hand as of June 30, 2023 or any Testing Date thereafter, or (iii) fails to implement the recommendations of the Consultant as set forth above.

Section 4.22. Occupancy Covenant. (a) The Obligated Group covenants that for each Fiscal Quarter, the Obligated Group will use its best efforts to have Occupied Independent Living Units in the Community at or above the number set forth below which shall be measured

as of the last day of the applicable Fiscal Quarter, commencing with the Fiscal Quarter ended March 30, 2022 (the “ILU Occupancy Requirements”). The Obligated Group shall deliver an Officer’s Certificate setting forth such calculation in accordance with Section 4.15 hereof. The ILU Occupancy Requirements has been set based on a total number of Independent Living Units of 303.

<u>Fiscal Quarter Ended</u>	<u>ILU Occupancy Requirement</u>
March 31, 2022	155
June 30, 2022	155
September 30, 2022	157
December 31, 2022	159
March 31, 2023	172
June 30, 2023	176
September 30, 2023	181
December 31, 2023	185
March 31, 2024	189
June 30, 2024	194
September 30, 2024	198
December 31, 2024	202
March 31, 2025	204
June 30, 2025	209
September 30, 2025	213
December 31, 2025	217
March 31, 2026	220
June 30, 2026	225
September 30, 2026	229
December 31, 2026	232
March 31, 2027	236
June 30, 2027	239
September 30, 2027	243
December 31, 2027	246
March 31, 2028	249
June 30, 2028	253
September 30, 2028 and thereafter	259

(b) The Obligated Group further covenants that for each Fiscal Quarter, commencing with the Fiscal Quarter ended March 30, 2022, the Obligated Group will use its best efforts to have the number of Occupied Assisted Living Units and Nursing Units at or above the number set forth below (the “Healthcare Occupancy Requirements”), measured as the average combined occupancy during the applicable Fiscal Quarter. The Obligated Group shall deliver an Officer’s Certificate setting forth such calculation in accordance with Section 4.15 hereof. The Healthcare Occupancy Requirements have been set based on a total number of Assisted Living Units and Nursing Units of 192.

<u>Fiscal Quarter Ended</u>	<u>Healthcare Occupancy Requirement</u>
March 31, 2022	102
June 30, 2022	116
September 30, 2022	130
December 31, 2022	142
March 31, 2023	146
June 30, 2023 and thereafter	155

(c) If the number of Independent Living Units Occupied for any Fiscal Quarter is less than the ILU Occupancy Requirement or the number of Healthcare Units Occupied for any Fiscal Quarter is less than the Healthcare Occupancy Requirement set forth above for that Fiscal Quarter, the Obligated Group Representative, at the Obligated Group's expense, shall engage a Consultant within 30 days following the applicable calculation described above to make recommendations to increase the number of Independent Living Units Occupied to the ILU Occupancy Requirement or the number of Healthcare Units Occupied to the Healthcare Occupancy Requirement, as applicable.

(d) Within 60 days of the retaining a Consultant in accordance with Section 4.23 hereof, the Obligated Group Representative shall cause a copy of the Consultant's report and recommendations (the "Initial Consultant Report" for purposes of this Section) to be filed with each Member and each Required Information Recipient. Each Member shall follow each recommendation of the Consultant applicable to it, as permitted by law. This Section shall not be construed to prohibit any Member from serving any class or classes of residents without charge or at reduced rates so long as such service does not prevent the Obligated Group from satisfying the other requirements of this Section.

(e) If the Obligated Group fails to meet the ILU Occupancy Requirement by the end of the second Fiscal Quarter after the Consultant report is required to be provided as set forth in the preceding paragraph, the Obligated Group shall, if so directed by the Majority Holders, appoint an independent third party marketing agent acceptable to such Majority Holders or if a third party marketing agent is then engaged, replace the marketing agent with a marketing agent acceptable to such Majority Holders. If the Obligated Group fails to meet the Healthcare Occupancy Requirement by the end of the second Fiscal Quarter after the Consultant report is required to be provided as set forth in this Section, the Obligated Group shall, if so directed by the Majority Holders, appoint an independent third party manager acceptable to such Majority Holders or if a third party manager is then managing the Facility, replace the manager with a manager acceptable to such Majority Holders.

(f) For avoidance of doubt, failure to satisfy either of the ILU Occupancy Requirement or the Healthcare Occupancy Requirement shall independently trigger the requirements of this Section, provided if such requirements are missed in the same Fiscal Quarter, only one Consultant shall be required for all such failures.

(g) Notwithstanding anything herein to the contrary, it shall be an Event of Default under this Master Indenture if: (i) the Obligated Group fails to meet the ILU Occupancy

Requirement for any two consecutive Fiscal Quarters or (ii) the Obligated Group fails to meet the Healthcare Occupancy Requirement for any two consecutive Fiscal Quarters.

Section 4.23. Approval of Consultants. (a) If at any time the Members of the Obligated Group are required to engage a Consultant under the provisions of this Master Indenture, such Consultant shall be engaged in the manner set forth below in this Section.

(b) Upon selecting a Consultant as required under the provisions of this Master Indenture, the Obligated Group Representative will notify the Master Trustee of such selection. The Master Trustee shall, as soon as practicable but in no case longer than five Business Days after receipt of notice, notify the holders of all Obligations outstanding under the Master Indenture of such selection. Such notice shall (i) include the name of the Consultant and a brief description of the Consultant, (ii) state the reason that the Consultant is being engaged including a description of the covenant(s) of this Master Indenture that require the Consultant to be engaged, and (iii) request that the holder of the Obligation consent to the selection of the Consultant named in such notice or submit an objection to the selected Consultant in writing (in a manner acceptable to the Master Trustee) to the Master Trustee within 14 days of the date that the notice is sent to the Obligation holders. If consents from the Majority Holders have not been received by the 14th day after the Master Trustee sent notice thereof, the proposed Consultant shall be deemed rejected and the Obligated Group Representative shall select another Consultant which may be engaged upon compliance with the procedures of this Section. If after two proposals, no Consultant shall be approved by the Majority Holders, the Majority Holders shall recommend at least two Consultants from which the Obligated Group shall engage one of the two Consultants recommended by the Majority Holders within seven days of recommendation.

(c) When the Master Trustee notifies the holders of Obligations of such selection, the Master Trustee will also request that any Related Bond Trustee send a notice containing the information required by subparagraph (b) above to the owners of all of the Related Bonds outstanding. Such Related Bond Trustee shall, as the owner of an Obligation securing such Related Bonds, consent or object to the selection of the Consultant in accordance with the response of the owners of such Related Bonds.

The notice period described in (b) above may be extended by the Master Trustee in order to permit each Related Bond Trustee to give the owners of the Related Bonds 14 days to respond to the notice given by the Related Bond Trustee. By acceptance of an Obligation securing any Related Bonds, the Related Bond Trustee agrees to comply with the provisions of this Section.

(d) All Consultant reports required under the Master Indenture shall be prepared in accordance with the then-effective industry-appropriate standards.

(e) If a Consultant is required to be engaged under two or more Sections of this Master Indenture, the requirements of those Sections may (but need not be) satisfied through the engagement of a single Consultant under a single engagement in lieu of multiple engagements. Any requirement for a Consultant's report under this Master Indenture may be satisfied by an update of a previous Consultant's Report so long as the update when taken together with the previous report satisfies the requirements of this Master Indenture.

(f) A Consultant's report under one Section of this Master Indenture may satisfy a requirement for a Consultant's report under another Section of this Master Indenture but only if the nature of the Consultant and the substance of the report are sufficient to satisfy that requirement.

(g) The Obligated Group shall not be required to obtain a Consultant's report that satisfies the requirements of a particular Section of this Master Indenture more than one time in any six-month period, except to the extent a period to obtain compliance has been extended, in which case a Consultant shall be engaged quarterly to ensure the Obligated Group remains in compliance with the recommendations during such extended period.

Section 4.24. Rating Application. The Obligated Group Representative covenants that it will seek a rating of the Series 2021 Bonds from any Rating Agency each year after a determination is made by the Obligated Group Representative in consultation with a Consultant that an investment grade rating is reasonably obtainable, until achievement of an investment grade rating, provided that if during any such year the Obligated Group Representative receives a preliminary indication from such Rating Agency that the Series 2021 Bonds will not be assigned an investment grade rating, the Obligated Group Representative shall withdraw any request for such year to have such Rating Agency assign a rating to the Series 2021 Bonds.

Section 4.25. Actuarial Study. Within 150 days after the Fiscal Year ending December 31, 2024, and at least once every three Fiscal Years thereafter, the Obligated Group Representative, at the Obligated Group's expense, shall provide the actuarial study described below to each Member and each Required Information Recipient. The actuarial study shall be prepared by a Consultant and include (i) the amount, if any, of the Obligated Group's obligations to provide services under the Residency Agreements anticipated to be in excess of those that could be satisfied using the rates, fees and charges for the Facilities then in effect, and (ii) recommendations, if any, with respect to the rates, fees and charges of the Members and the Obligated Group's methods of operation and other factors affecting its financial condition in order to enable the Obligated Group to satisfy such obligations. Each Member shall follow each recommendation of the Consultant applicable to it to the extent feasible (as determined in the reasonable judgment of the Governing Body of the Obligated Group Representative) and permitted by law.

Section 4.26. Manager and Marketing Agent. The Members shall enter into the Management Agreement with the Initial Manager, pursuant to which the Initial Manager shall be paid a Management Fee as set forth in the Management Agreement. The Members shall enter into the Marketing Agreement with the Initial Marketing Consultant. The Members shall not materially amend or modify the Management Agreement or Marketing Agreement or permit the Management Agreement or Marketing Agreement to terminate or expire, without the prior written consent of the Majority Holders. Any new management agreement, new manager, marketing agent or consultant or similar marketing agreement shall be subject to the prior written consent of the Majority Holders.

Section 4.27. Entrance Fees. The Members covenant to not reduce the amount of any Entrance Fees or monthly fees or offer any new discounts or incentives to Entrance Fee or monthly fee pricing or create any benefit programs which reduce the amounts set forth in Exhibit

E hereto, without consent of the Majority Holders.

Section 4.28. Annual Budget. The Members shall deliver an annual budget with respect to each Fiscal Year as set forth in Section 4.15(b)(vi) hereof. The Master Trustee shall, as soon as practicable but in no case longer than five Business Days after receipt of the Annual Budget notify the holders of all Obligations outstanding under the Master Indenture of such Annual Budget. Such notice shall (i) include the Annual Budget, (ii) state that the holder of the Obligation will be deemed to have consented to the operating portion of the Annual Budget (the “Operating Budget”) unless such Obligation holder submits an objection in writing (in a manner acceptable to the Master Trustee) to the Master Trustee within 15 days of the date that the notice is sent to the Obligation holders and (iii) state that, subject to the provisions of Section 4.15(b)(vi) hereof, the Capital Budget shall be approved only upon receipt by the Master Trustee of the consent of the Majority Holders. No later than two Business Days after the end of the 15-day objection period, the Master Trustee shall notify the Obligated Group of the number of objections. If more than a majority in aggregate principal amount of the holders of the outstanding Obligations have been deemed to have consented to the Operating Budget, such portion of the Annual Budget will be deemed approved by the Master Trustee. If more than a majority in aggregate principal amount of the owners of the Obligations outstanding have objected to the Operating Budget, the Obligated Group Representative shall work with the Master Trustee and the Majority Holders to revise the Operating Budget until it is approved by the Master Trustee as set forth herein. If the Operating Budget or the Capital Budget have not been approved or deemed approved by the Majority Holders prior to the beginning of any Fiscal Year, the Members may adopt a temporary Operating Budget or temporary Capital Budget which is substantially the same as the Operating Budget or the Capital Budget for the prior Fiscal Year (which temporary budgets shall exclude any extraordinary expenses in the prior Fiscal Year) until the Operating Budget or the Capital Budget is approved by the Master Trustee as set forth herein.

Section 4.29. Trade Payables Covenant. The Obligated Group covenants that, commencing with the first full quarter after the Effective Date, it shall keep a record of the aging of its trade payables. The Obligated Group further covenants that it shall maintain its trade payables such that 90% of all trade payables will be less than 75 days’ past due and no trade payable will be greater than 100 days’ past due unless being contested in good faith (the “Trade Payables Requirements”).

Section 4.30. Change of Control or Affiliation. Each Member covenants that it will not enter into any agreement or take or permit to be taken any action that results in a change in control of such Member without receiving the prior consent of the Holders of not less than 66% in aggregate principal amount of the Outstanding Senior Obligations and the Holders of not less than 66% in aggregate principal amount of the Outstanding Subordinate Obligations. For purposes of this definition, “change in control” when used with respect to any Member means any change in the membership interests of such Member or change whereby another Person or entity has rights to appoint or remove members of the board of directors or trustees of such Member or any other ownership or parent interest in the Member; and the terms “controlling” and “controlled” have meanings correlative to the foregoing.

ARTICLE V

CONSOLIDATION, MERGER, CONVEYANCE AND TRANSFER

Section 5.01. Merger, Consolidation, Sale or Conveyance. (a) Each Member agrees that it will not merge into, or consolidate with, one or more corporations which are not Members, or allow one or more of such corporations to merge into it, or sell or convey all or substantially all of its Property to any Person who is not a Member, unless:

(i) Any successor corporation to such Member (including without limitation any purchaser of all or substantially all the Property of such Member) is a corporation organized and existing under the laws of the United States of America or a state thereof and shall execute and deliver to the Master Trustee an appropriate instrument, satisfactory to the Master Trustee, containing the agreement of such successor corporation to assume, jointly and severally, the due and punctual payment of the principal of, premium, if any, and interest on all Obligations according to their tenor and the due and punctual performance and observance of all the covenants and conditions of this Master Indenture to be kept and performed by such Member;

(ii) Immediately after such merger or consolidation, or such sale or conveyance, no Member would be in default in the performance or observance of any covenant or condition of any Related Loan Agreement or this Master Indenture;

(iii) Assuming that any Indebtedness of any successor or acquiring corporation is Indebtedness of such Member and that the Revenues and Expenses of the Member for such most recent Fiscal Year include the Revenues and Expenses of such other corporation (A) immediately after such merger or consolidation, sale or conveyance, the Historical Pro Forma Debt Service Coverage Ratio of the Obligated Group for the most recent Fiscal Year for which financial statements that have been reported upon by independent certified public accountants are available would be not less than 1.20:1 and (B) immediately after such merger or consolidation, sale or conveyance, the Obligated Group would be in compliance with the Liquidity Requirement of this Master Indenture for the most recent Testing Date after adjustment for the change; and

(iv) If all amounts due or to become due on all Related Bonds have not been fully paid to the holders thereof or fully provided for, there shall be delivered to the Master Trustee an Opinion of Bond Counsel to the effect that under then existing law the consummation of such merger, consolidation, sale or conveyance would not adversely affect the validity of such Related Bonds or the exemption otherwise available from federal or state income taxation of interest payable on such Related Bonds.

(b) In case of any such consolidation, merger, sale or conveyance and upon any such assumption by the successor corporation, such successor corporation shall succeed to and be substituted for its predecessor, with the same effect as if it had been named herein as such Member. Each successor, assignee, surviving, resulting or transferee corporation of a Member must agree to become, and satisfy the conditions described in Section 6.01 hereof to becoming, a

Member of the Obligated Group prior to any such succession, assignment or other change in such Member's corporate status. Any successor corporation to such Member thereupon may cause to be signed and may issue in its own name Obligations hereunder and the predecessor corporation shall be released from its obligations hereunder and under any Obligations, if such predecessor corporation shall have conveyed all Property owned by it (or all such Property shall be deemed conveyed by operation of law) to such successor corporation. All Obligations so issued by such successor corporation hereunder shall in all respects have the same legal rank and benefit under this Master Indenture as Obligations theretofore or thereafter issued in accordance with the terms of this Master Indenture as though all of such Obligations had been issued hereunder by such prior Member without any such consolidation, merger, sale or conveyance having occurred.

(c) In case of any such consolidation, merger, sale or conveyance such changes in phraseology and form (but not in substance) may be made in Obligations thereafter to be issued as may be appropriate.

(d) Notwithstanding the foregoing, for so long as the Series 2021 Notes are Outstanding, no Member shall merge into, or consolidate with, one or more corporations which are not Members, or allow one or more of such corporations to merge into it, or sell or convey all or substantially all of its Property to any Person who is not a Member, without the consent of the Majority Holders.

ARTICLE VI

MEMBERSHIP IN THE OBLIGATED GROUP

Section 6.01. Admission of Obligated Group Members. Any other Person may become a Member of the Obligated Group if:

- (a) Such Person is a business entity;
- (b) Such Person shall execute and deliver to the Master Trustee a Supplement in a form acceptable to the Master Trustee which shall be executed by the Master Trustee and the Obligated Group Representative, containing the agreement of such Person (i) to become a Member of the Obligated Group and thereby to become subject to compliance with all provisions of this Master Indenture and (ii) unconditionally and irrevocably (subject to the right of such Person to cease its status as a Member of the Obligated Group pursuant to the terms and conditions of Section 6.03 hereof) to jointly and severally make payments upon each Obligation;
- (c) The Obligated Group Representative and each Member shall have approved the admission of such Person to the Obligated Group; and
- (d) The Master Trustee shall have received (i) an Officer's Certificate of the Obligated Group Representative which (A) demonstrates that (1) immediately upon such Person becoming a Member of the Obligated Group, the Historical Pro Forma Debt Service Coverage Ratio of the Obligated Group for the most recent Fiscal Year for which financial statements that have been reported upon by independent certified public accountants are available, after adjustment for the addition of the new Member, would be not less than 1.20:1, and (2) immediately upon such Person becoming a Member of the Obligated Group, the Obligated Group would be in compliance with the Liquidity Requirement based on the most recent quarterly financial statements delivered to the Master Trustee pursuant to Section 4.15 hereof; (B) states that prior to and immediately after such Person becoming a Member of the Obligated Group, no event of default exists hereunder and no event shall have occurred which with the passage of time or the giving of notice, or both, would become such an event of default; and (C) prior to and immediately after such Person becoming a Member of the Obligated Group, the Members would not be in default in the performance or observance of any covenant or condition to be performed or observed hereunder; (ii) an opinion of Independent Counsel in form and substance acceptable to the Master Trustee to the effect that (x) the instrument described in Section 6.01(b) above has been duly authorized, executed and delivered and constitutes a legal, valid and binding agreement of such Person, enforceable in accordance with its terms, subject to customary exceptions for bankruptcy, insolvency and other laws generally affecting enforcement of creditors' rights and application of general principles of equity and (y) the addition of such Person to the Obligated Group will not adversely affect the status as a Tax Exempt Organization of any Member which otherwise has such status; and (iii) if all amounts due or to become due on all Related Bonds have not been paid to the holders thereof and provision for such payment has not been made in such manner as to have resulted in the defeasance of all Related Bond Indentures, an Opinion of Bond Counsel to the effect that under then existing law the consummation of such transaction would not adversely affect the validity of any Related Bonds or any exemption from federal or state income taxation of interest payable on such Bonds

otherwise entitled to such exemption; provided that in making the calculation called for by subsection (d)(i) above, (x) there shall be excluded from Revenues any Revenues generated by Property of such Person transferred or otherwise disposed of by such Person since the beginning of the Fiscal Year during which such Person's entry into the Obligated Group occurs and (y) there shall be excluded from Expenses any Expenses related to Property of such Person transferred or otherwise disposed of by such Person since the beginning of the Fiscal Year during which such Person's entry into the Obligated Group occurs.

Each successor, assignee, surviving, resulting or transferee corporation of a Member must agree to become, and satisfy the above described conditions to becoming, a Member of the Obligated Group prior to any such succession, assignment or other change in such Member's corporate status.

Notwithstanding the foregoing, so long as the Series 2021 Notes are outstanding, no Member may become part of the Obligated Group without the consent of the Majority Holders.

Section 6.02. Obligated Group Members. Upon any Person's becoming an Obligated Group Member as provided in Section 6.01:

- (i) the Master Trustee may pursue any remedies consequent upon an Event of Default against any Obligated Group Member, or all of them, without notice to, demand upon or joinder of (and without in any way releasing) any of the others, or against any one or more or all of them at the same time or at different times;
- (ii) any right of contribution or right acquired by subrogation by any Obligated Group Member against any other Obligated Group Member arising out of the payment of Debt shall be subordinated to the rights of the Master Trustee and the Holders of Obligations; and
- (iii) each Obligated Group Member shall designate the Obligated Group Representative as its attorney in fact with full power of substitution to perform, satisfy, and discharge every obligation, covenant, duty or liability to be performed on the part of the Obligated Group Member hereunder.

Section 6.03. Withdrawal of Obligated Group Members. Each Member covenants that it will not take any action, corporate or otherwise, which would cause it or any successor thereto into which it is merged or consolidated under the terms of the Master Indenture to cease to be a Member of the Obligated Group unless:

- (a) prior to cessation of such status, there is delivered to the Master Trustee an Opinion of Bond Counsel to the effect that, under then existing law, the cessation by the Member of its status as a Member will not adversely affect the validity of any Related Bond or any exemption from federal or state income taxation of interest payable thereon to which such Bond would otherwise be entitled;
- (b) prior to the cessation of such status, there is delivered to the Master Trustee an Officer's Certificate of the Obligated Group Representative to the effect that: (i) (A) immediately after such cessation the Historical Pro Forma Debt Service Coverage Ratio of the Obligated

Group for the most recent Fiscal Year for which financial statements that have been reported upon by independent certified public accountants are available, after adjustment for the removal of the Member, would be not less than 1.20:1 and (B) immediately after such cessation, the Obligated Group would be in compliance with the Liquidity Requirement for the most recent quarter after adjustment for the removal of the Member; (ii) prior to and immediately after such cessation, no event of default exists hereunder and no event shall have occurred which with the passage of time or the giving of notice, or both, would become such an event of default; and (iii) prior to and immediately after such cessation, the Members would not be in default in the performance or observance of any covenant or condition to be performed or observed hereunder;

(c) prior to such cessation there is delivered to the Master Trustee an opinion of Independent Counsel (which Counsel and opinion are acceptable to the Master Trustee) to the effect that the cessation by such Member of its status as a Member will not adversely affect the status as a Tax Exempt Organization of any Member which otherwise has such status; and

(d) prior to cessation of such status, the Obligated Group Representative and each Member, consents in writing to the withdrawal by such Member.

Notwithstanding the foregoing, so long as the Series 2021 Notes are outstanding, no Member may withdraw from the Obligated Group without the consent of the Majority Holders.

Section 6.04. Successor Obligated Group Representative. The Obligor shall serve as the Obligated Group Representative until such time as the Obligor either (i) withdraws from the Obligated Group in accordance with this Article VI or (ii) delivers to the Master Trustee its resignation as the Obligated Group Representative. The Obligor covenants to fulfill all of the duties of the Obligated Group Representative under this Master Indenture. The Obligor agrees that it shall not withdraw from the Obligated Group or resign as Obligated Group Representative until the Series 2021 Notes are paid in full. Each Obligated Group Member by becoming an Obligated Group Member acknowledges that the Obligated Group Representative has certain powers and duties under this Master Indenture, including but not limited to binding all Obligated Group Members to joint and several liability on all Obligations incurred hereunder, and authorizes the Obligated Group Representative to exercise such powers and carry out such duties.

ARTICLE VII

REMEDIES OF THE MASTER TRUSTEE AND HOLDERS OF SECURED OBLIGATIONS IN EVENT OF DEFAULT

Section 7.01. Events of Default. Event of Default, as used herein, shall mean any of the following events, whatever the reason for such Event of Default and whether it shall be voluntary or involuntary or come about or be effected by operation of law or pursuant to or in compliance with any judgment, decree or order of any court or any order, rule or regulation of any administrative or governmental body:

(a) default in the payment of the principal of (or premium, if any) or interest on any Obligation when it becomes due and payable at its Maturity and the continuance of such default beyond the period of grace, if any, provided in the instrument creating such Obligation; or

(b) any Obligated Group Member shall fail duly to observe or perform any other covenant or agreement (other than a covenant or agreement whose performance or observance is elsewhere in this Section specifically dealt with) on the part of such Person contained in this Master Indenture for a period of 30 days after the date on which written notice of such failure, requiring the same to be remedied, shall have been given to the Obligated Group Representative by the Master Trustee, or to the Obligated Group Representative and the Master Trustee by the Holders of at least 25% in aggregate principal amount of Obligations then Outstanding; provided that if any such default can be cured by such Obligated Group Member but cannot be cured within the 30 day curative period described above, it shall not constitute an Event of Default if corrective action is instituted by such Obligated Group Member within such 30 day period and cured within a period of 60 days after written notice thereof; or

(c) a decree or order by a court having jurisdiction in the premises shall have been entered adjudging any Obligated Group Member a bankrupt or insolvent, or approving as properly filed a petition seeking reorganization or arrangement of any Obligated Group Member under the Federal Bankruptcy Code or any other similar applicable Federal or state law, and such decree or order shall have continued undischarged and unstayed for a period of 60 days; or a decree or order of a court having jurisdiction in the premises for the appointment of a receiver or trustee or assignee in bankruptcy or insolvency of any Obligated Group Member or of its property, or for the winding up or liquidation of its affairs, shall have been entered, and such decree or order shall have remained in force undischarged and unstayed for a period of 60 days; or

(d) any Obligated Group Member shall institute proceedings to be adjudicated a voluntary bankrupt, or shall consent to the institution of a bankruptcy proceeding against it, or shall file a petition or answer or consent seeking reorganization or arrangement under the Federal Bankruptcy Code or any other similar applicable Federal or state law, or shall consent to the filing of any such petition, or shall consent to the appointment of a receiver or trustee or assignee in bankruptcy or insolvency of it or of its Trust Estate, or shall make assignment for the benefit of creditors, or shall admit in writing its inability to pay its debts generally as they become due, or action shall be taken by the Governing Body of any Obligated Group Member in furtherance of any of the aforesaid purposes; or

(e) any Obligated Group Member shall fail to pay or make provision for payment of any recourse Debt having a principal balance of not less than \$100,000 and the continuance of such failure beyond the applicable grace period, if any; or

(f) the Master Trustee has received written notice that an event of default, as therein defined, under (i) any instrument under which Obligations may be incurred or secured has occurred and is continuing beyond the applicable period of grace, if any, or (ii) any Related Bond Indenture or Related Loan Agreement; or

(g) (i) the Obligated Group fails to maintain a Historical Debt Service Coverage Ratio of at least 1.00:1 as of any Testing Date, commencing with June 30, 2024, or (ii) the Obligated Group fails to maintain a Historical Debt Service Coverage Ratio of at least 1:10:1 for any two consecutive Testing Dates; or

(h) (i) the Obligated Group fails to meet the Liquidity Requirement for any two consecutive Testing Dates, or (ii) the Obligated Group fails to maintain at least (A) 75 Days Cash on Hand as of December 31, 2021, June 30, 2022, or December 31, 2022 or (B) 100 Days Cash on Hand as of June 30, 2023 or any Testing Date thereafter; or

(i) (i) the Obligated Group fails to meet the ILU Occupancy Requirement for any two consecutive Testing Dates or (ii) the Obligated Group fails to meet the Healthcare Occupancy Requirement for any two consecutive Testing Dates.

Section 7.02. Acceleration of Maturity; Rescission and Annulment. If an Event of Default occurs and is continuing, then and in every such case the Master Trustee or the Holders of not less than 25% in principal amount of the Outstanding Obligations (or, in the case of any Event of Default described in subparagraph (f) of Section 7.01 above resulting in the loss of any exclusion from gross income of interest on, or the invalidity of, any Debt secured by a pledge of Obligations, the Holders of not less than 25% in principal amount of the Outstanding Obligations of the affected series) may declare the principal of all the Obligations to be due and payable immediately, by a notice in writing to the Obligated Group Representative and all of the Holders of Obligations (and to the Master Trustee if given by Holders of Obligations), and upon any such declaration such principal shall become immediately due and payable.

At any time after such a declaration of acceleration has been made and before a judgment or decree for payment of the money due has been obtained by the Master Trustee as hereinafter in this Article provided, the Majority Holders, by written notice to the Obligated Group Representative and the Master Trustee, may rescind and annul such declaration and its consequences if

(a) one or more Obligated Group Members has paid or deposited with the Master Trustee a sum sufficient to pay

(i) all overdue installments of interest on all Obligations,

(ii) the principal of (and premium, if any, on) any Obligations which have

become due otherwise than by such declaration of acceleration and interest thereon at the rate borne by the Obligations, and

(iii) all sums paid or advanced by the Master Trustee hereunder and the reasonable compensation, expenses, disbursements and advances of the Master Trustee, its agents and counsel; and

(b) all Events of Default, other than the non payment of the principal of Obligations which have become due solely by such acceleration, have been cured or waived as provided in Section 7.16.

No such rescission shall affect any subsequent default or impair any right consequent thereon.

Section 7.03. Entry. As to all real property and fixtures included in the Trust Estate, each Member agrees that upon the occurrence of an Event of Default, such Member, upon demand of the Master Trustee during the continuance thereof, shall forthwith surrender to the Master Trustee or its agent (or to a receiver appointed by a court) the actual possession of, and it shall be lawful for the Master Trustee by such officers or agents as it may appoint (or by receiver appointed by a court) to enter and take possession of, the Trust Estate (and the books, papers, and accounts of the Obligated Group Members) and to hold, operate, and manage the Trust Estate (including the managing of all needful repairs, and such alterations, additions, and improvements as to the Master Trustee shall seem wise) and to receive the rents, issues, tolls, profits, revenues, and other income thereof, and, after deducting the costs and expenses of entering, taking possession, holding, operating, and managing the Trust Estate, as well as payments for taxes, insurance, and other proper charges upon the Trust Estate including without limitation, reasonable compensation to itself, its agents, and counsel, to apply the same as provided in Section 7.09.

Section 7.04. Powers of Sale, Transfer, Assignment, Lease, and Other Dispositions; Suits for Enforcement. In case an Event of Default shall occur and be continuing, the Master Trustee, in its discretion may, subject to the provisions of Section 7.18:

(a) as to all of the real property and fixtures included in the Trust Estate, with or without having taken possession of same, enforce this trust and sell or have sold by an assignee of the Master Trustee such property as an entirety or in parcels, by one sale or by several sales, held at one time or at different times as the Master Trustee or its assignee may elect (all rights to a marshalling of the assets of the Obligated Group Members, including the Trust Estate, or to a sale in inverse order of alienation, being for the Obligated Group Members and their respective successors and assigns, expressly and specifically hereby waived), at the County Courthouse in any County in which a part of the real properties included in the Trust Estate are situated in the area in such Courthouse designated for real property foreclosure sales in accordance with applicable law, each such sale to be made on the first Tuesday of a month (or in the event the first Tuesday falls on January 1 or July 4, the first Wednesday of that month) between the hours of 10:00 a.m. and 4:00 p.m., prevailing local time, to the highest bidder for cash at public auction, after the Master Trustee (or a Person or Persons selected by the Master Trustee) or assignee of the Master Trustee shall have given notices of the proposed sale in the manner

hereinafter set forth, and may make due conveyance to the purchaser or purchasers, with general warranty of title to such purchaser or purchasers binding upon the Obligated Group Members and their respective successors and assigns. The provision hereof with respect to the day and time of sale are intended to comply with the provisions of the Texas Property Code, and in the event the requirement for day and time of sale under the Texas Property Code shall be eliminated or the prescribed timing is modified by future amendment to the Texas Property Code, the requirement for the day and time of sale shall be stricken from or modified in this instrument in conformity with such amendment. The Master Trustee (or an assignee of the Master Trustee) is hereby authorized and empowered to sell such property in the Trust Estate or any part thereof. Sale of a part of the Trust Estate shall not exhaust the power of sale granted herein, but sales may be made from time to time until the Obligations are paid and performed in full. It is intended by each of the foregoing provisions of this Section that the Master Trustee may sell not only the real property and fixtures included in the Trust Estate, but also the personal property (tangible or intangible) and fixtures included in the Trust Estate and other interests constituting a part of the Trust Estate or any part thereof, along with the real property and fixtures or any part thereof, as a unit and as a part of a single sale, or may sell any part of the Trust Estate separately from the remainder of the Trust Estate. It shall not be necessary to have present or to exhibit at any sale any of the Trust Estate. The Master Trustee (or a Person or Persons selected by the Master Trustee) or assignee of the Master Trustee shall give notice of such proposed sale by posting written notice of the time, place, and terms of sale at the location designated by law and, by filing a copy of such written notice in the office of the County Clerk, of the County in which the sale is to be made for at least 21 consecutive days preceding the date of the sale. Where such real properties to be sold are situated in more than one County, one notice shall be posted at the location designated by law, and a copy of such notice shall be filed with the County Clerk, of each County in which a part of said real properties to be sold is situated, and such notices shall designate the County where such real properties will be sold, which may be any County in which a part of said real properties is situated. In addition to the foregoing notice or notices to be posted and filed by the Master Trustee (or by a Person or Persons selected by the Master Trustee) or assignee of the Master Trustee, the Master Trustee or assignee of the Master Trustee shall, at least 21 days preceding the date of sale, serve written notice of the proposed sale by certified mail on each debtor obligated to pay the Obligations according to the records of the Master Trustee. The service of such shall be completed upon deposit of the notice, enclosed in a post paid wrapper, properly addressed to each such debtor at the most recent address as shown by the records of the Master Trustee, in a post office or an official depository under the care and custody of the United States Postal Service. It is agreed that, in any deeds, assignments or other conveyances given by the Master Trustee or in an affidavit of any person having knowledge of the facts, any and all statements of fact or other recitals therein made as to the identity of the Master Trustee, or as to the occurrence or existence of any Event of Default, or as to the acceleration of the maturity of the Obligations, or as to the request or election to sell, notice of sale, time, place, terms and manner of sale, and receipt, distribution and application of the money realized therefrom, or as to the due and proper appointment or assignment of a Person to act for the Master Trustee, and, without being limited by the foregoing, as to any other act or thing having been duly done by or on behalf of the Master Trustee, shall be taken by all courts of law and equity as prima facie evidence that the said statements or recitals state facts and are without further question to be so accepted, and each Obligor and Obligated Group Member does hereby ratify and confirm any and all acts that the Master Trustee may lawfully do in the premises by virtue hereof. In this respect and to the full extent that it may legally do so, the Obligor also

expressly covenants, stipulates, and agrees that (a) the address of the Obligor set out in Section 1.05 of this Master Indenture shall be deemed and considered conclusively to be and remain at all times the most recent address of such debtor obligated to pay the Master Trustee as shown by the records of the Master Trustee, provided such address may be changed from time to time only by express written notice of change thereof signed by the Obligor and actually delivered to and received by the Master Trustee and setting forth a new address with such new address for such debtor and the most recent addresses for other debtors then held by the Master Trustee being deemed and considered conclusively to be and remain at all times thereafter, until changed in the manner herein provided, the most recent address of all debtors, including, without limitation, the Obligated Group Members, obligated to pay the Obligations as shown by the records of the Master Trustee, (b) the records of the Master Trustee shall not be deemed to reflect any change in the respective names or identities of the Obligated Group Members or others obligated or to become obligated to pay the Obligations (to whom notice of a proposed sale shall be required to be mailed as above provided) unless and until express written notice of such change signed by all such debtors obligated to pay the Obligations shall have been actually delivered to and received by the Master Trustee, and (c) no notice of such sale or sales other than the notices hereinabove provided and as hereinafter provided in this Subsection (a) shall be required to be given to the Obligor, or any other Person and any other notice is expressly waived. At any sale conducted under this instrument, credit upon all or any part of the Obligations shall be deemed cash paid for the purpose of this paragraph; provided, however, all Senior Obligations shall be credited before any Subordinate Obligations. The proceeds arising from such sale or sales shall be applied by the Master Trustee as provided in Section 7.09. If the Master Trustee is the purchaser of the Trust Estate or any part thereof, at any sale thereof, whether such sale be under the power of sale hereinabove vested in the Master Trustee or upon any other foreclosure of the liens and security interests hereof, or otherwise, the Master Trustee shall, upon any such purchase, acquire good title to the Trust Estate so purchased, free of liens and security interests hereof, unless the sale was made subject to an unmatured portion of the Obligations and the Master Trustee elects that no merger occur. The provision hereof with respect to posting and giving notices of sale are intended to comply with the provisions of the Texas Property Code, and in the event the requirement for any notice under the Texas Property Code shall be eliminated or the prescribed manner of giving same is modified by future amendment to the Texas Property Code, the requirement for such particular notice shall be stricken from or modified in this instrument in conformity with such amendment. The manner prescribed in this Subsection (a) for serving or giving any notice, other than notice to be posted or caused to be posted by the Master Trustee (or by a Person or Persons selected by the Master Trustee), shall not be deemed exclusive, but such notice or notices may be given in any manner which may be permitted by applicable law. For any action that the Master Trustee or an assignee of the Master Trustee is entitled or required to perform under this Section, the Master Trustee or its assignee may select or appoint a Person to so perform. Each such selection or appointment shall be in writing, but without the necessity of recordation, notice to any Obligor or any Obligated Group Member, or any other action or formality. Each Person so selected or appointed shall thereupon by such appointment or selection succeed to all the estates, titles, rights, powers, trusts and duties of the Master Trustee to the extent of such assignment or selection. Any such selection or appointment may be executed by the Master Trustee or its assignee or any authorized representative of the Master Trustee or its assignee, and such appointment or selection shall be presumed conclusively to have been executed with due and proper authority without necessity of proof of any action by the board of directors or any superior officer, or

(b) protect and enforce its rights and the rights of the Master Trustee under this Master Indenture by sale pursuant to judicial proceedings or by a suit, action, or proceeding in equity or at law or otherwise, whether for the specific performance of any covenant or agreement contained in this Master Indenture or in aid of the execution of any power granted in this Master Indenture or for the foreclosure of this Master Indenture or for the enforcement of any other legal, equitable, or other remedy, as the Master Trustee, being advised by counsel, shall deem most effectual to protect and enforce any of the rights of the Master Trustee, or

(c) as to all or part of the personal property (tangible or intangible) and fixtures included in the Trust Estate (such portion of the Trust Estate herein referred to as the "Collateral"),

(i) proceed under the Texas Uniform Commercial Code and exercise with respect to the Collateral all the rights, remedies, and powers of a secured party under the Texas Uniform Commercial Code, including, without limitation, the right and power to sell, at public or private sale or sale, or otherwise dispose of, lease, or utilize, the Collateral and any part or parts thereof in any manner authorized or permitted under the Texas Uniform Commercial Code after default by a debtor, and, to the extent permitted by law, the Obligor expressly waives any notice of sale or other disposition of the Collateral and any other rights and remedies of a debtor or formalities prescribed by law relative to sale or disposition of the Collateral or exercise of any other right or remedy of the Master Trustee existing after default hereunder, and, to the extent any such notice is required and cannot be waived, the Obligor agrees that if such notice is mailed, postage prepaid, to the Master Trustee at its address stated in the first paragraph hereof at least ten days before the time of the sale or disposition, such notice shall be deemed reasonable and shall fully satisfy any requirement for giving of said notice,

(ii) take possession of the Collateral and enter upon any premises where the same may be situated for such purpose without being deemed guilty of trespass and without liability for damages thereby occasioned and take any action deemed necessary or appropriate or desirable by the Master Trustee, at its option and in its discretion, to repair, refurbish, or otherwise prepare the Collateral for sale, lease, or other use or disposition as herein authorized,

(iii) transfer at any time to itself or to its nominee the Collateral, or any part thereof, and receive the money, income proceeds, or benefits attributable or accruing thereto and hold the same as security for the Outstanding Obligations or apply same as herein provided, and

(iv) require the Members to assemble the Collateral and make it available to the Trustee at a place to be designated by the Trustee that is reasonably convenient to all parties.

The Master Trustee shall be fully subrogated to the rights of all vendor's lienholders and other lienholders whose indebtedness is paid in whole or in part from proceeds of Obligations.

The filing of a suit to foreclose any lien, mortgage, or security interest hereunder shall never be considered an election so as to preclude foreclosure under any power of sale herein contained after dismissal of such a suit.

Notwithstanding anything to the contrary in this Section 7.04, as for any foreclosure of real property and fixtures, the Master Trustee shall not be required to foreclose unless first indemnified to its satisfaction and will not be required to foreclose if doing so will subject it to environmental liability or will require the approval of a governmental regulator that cannot be obtained. Should such a situation arise, the Master Trustee will use its best efforts to locate an assignee to conduct the foreclosure with the proceeds of such foreclosure flowing to the Master Trustee as though the Master Trustee had conducted the foreclosure. The Obligor hereby represents to the Master Trustee and the Holders that the subject real property described in Exhibit A is not in violation of any federal, state or local environmental laws or regulations.

Section 7.05. Incidents of Sale. Upon any sale of any of the Trust Estate, whether made under the power of sale hereby given or pursuant to judicial proceedings, to the extent permitted by law:

(a) any Holder or Holders of Obligations or the Master Trustee may bid for and purchase the property offered for sale, and upon compliance with the terms of sale may hold, retain, and possess and dispose of such property, without further accountability, and may, in paying the purchase money therefor, deliver any Outstanding Obligations or claims for interest thereon in lieu of cash to the amount which shall, upon distribution of the net proceeds of such sale, be payable thereon, and such Obligations, in case the amounts so payable thereon shall be less than the amount due thereon, shall be returned to the Holders thereof after being appropriately stamped to show partial payment;

(b) the Master Trustee may make and deliver to the purchaser or purchasers a good and sufficient deed, bill of sale, and instrument of assignment and transfer of the property sold;

(c) the Master Trustee is hereby irrevocably appointed the true and lawful attorney of each Member, in its name and stead, to make all necessary deeds, bills of sale, and instruments of assignment and transfer of the property thus sold; and for that purpose it may execute all necessary deeds, bills of sale, and instruments of assignment and transfer, and may substitute one or more persons, firms, or corporation with like power, each Member hereby ratifying and confirming all that its said attorney or such substitute or substitutes shall lawfully do by virtue hereof; but if so requested by the Master Trustee or by any purchaser, any Member shall ratify and confirm any such sale or transfer by executing and delivering the Master Trustee or to such purchaser or purchasers all proper deeds, bills of sale, instruments of assignment and transfer, and release as may be designated in any such request;

(d) rights, titles, interests, claims, and demands whatsoever, either at law or in equity or otherwise, of the Members of, in, and to the property so sold shall be divested and such sale shall be a perpetual bar both at law and in equity against each of the Members and their respective successors and assigns, and against any and all persons claiming or who may claim the property sold or any part thereof by, through, or under the Members or their respective successors and assigns; and

(e) receipt of the Master Trustee or of the officer making such sale shall be a sufficient discharge to the purchaser or purchasers at such sale for his or their purchaser money and such purchaser or purchasers and his or their assigns or personal representative shall not, after paying such purchase money and receiving such receipt, be obligated to see to the application of such purchase money, or be in any wise answerable for any loss, misapplication, or non application thereof.

Upon a sale of substantially all the Trust Estate, whether made under the power of sale hereby granted or pursuant to judicial proceedings, the Obligated Group Representative will permit, to the extent permitted by law, the purchaser thereof and its successors and assigns to take and use the names of the Members and to carry on business under such name or any variant thereof and to use and employ any and all other trade names, brands, and trade marks of the Members; and in such event, upon written request of such purchaser, its successors, or its assigns, any Member will, at the expense of the purchaser, change its name in such manner as to eliminate any similarity.

For so long as any Senior Obligation remains Outstanding, Section 7.05(a) will apply first to Holders of Senior Obligations, then to Holders of Subordinate Obligations (if any portion of the Trust Estate shall remain unsold).

Section 7.06. Collection of Indebtedness and Suits for Enforcement by Master Trustee.
The Obligated Group Members covenant that if

(a) default is made in the payment of any installment of interest on any Obligation when such interest becomes due and payable, or

(b) default is made in the payment of the principal of (or premium, if any, on) any Obligation at the Maturity thereof,

each Obligated Group Member will, upon demand of the Master Trustee, pay to it, for the benefit of the Holders of such Obligations, the whole amount then due and payable on such Obligations for principal (and premium, if any) and interest, with interest at the rate borne by the Obligations upon the overdue principal (and premium, if any); and, in addition thereto, such further amount as shall be sufficient to cover the costs and expenses of collection, including the reasonable compensation, expenses, disbursements and advances of the Master Trustee, its agents and counsel.

If the Obligated Group Members fail to pay any of the foregoing amounts forthwith upon demand, the Master Trustee, in its own name and as trustee of an express trust, may institute a judicial proceeding for the collection of the sums so due and unpaid, and may prosecute such proceeding to judgment or final decree, and may enforce the same against the Obligated Group Members or any other obligor upon the Obligations and collect the moneys adjudged or decreed to be payable in the manner provided by law out of the property of the Obligated Group Members or any other obligor upon the Obligations, wherever situated.

If an Event of Default occurs and is continuing, the Master Trustee may in its discretion

proceed to protect and enforce its rights and the rights of the Holders of Obligations by such appropriate judicial proceedings as the Master Trustee shall deem most effectual to protect and enforce any such rights, whether for the specific enforcement of any covenant or agreement in this Master Indenture or in aid of the exercise of any power granted herein, or to enforce any other proper remedy.

Section 7.07. Master Trustee May File Proofs of Claim. In case of the pendency of any receivership, insolvency, liquidation, bankruptcy, reorganization, arrangement, adjustment, composition, or other judicial proceeding relative to the Obligated Group Members or any other obligor upon the Obligations or the property of the Obligated Group Members or of such other obligor or their creditors, the Master Trustee (irrespective of whether the principal of the Obligations shall then be due and payable as therein expressed or by declaration or otherwise and irrespective of whether the Master Trustee shall have made any demand on the Obligated Group Members for the payment of overdue principal, premium, or interest) shall be entitled and empowered, by intervention in such proceeding or otherwise,

(i) to file and prove a claim for the whole amount of principal (and premium, if any) and interest owing and unpaid in respect of the Obligations and to file such other papers or documents as may be necessary or advisable in order to have the claims of the Master Trustee (including any claim for the reasonable compensation, expenses, disbursements and advances of the Master Trustee, its agents and counsel which shall be deemed an administrative claim) and of the Holders of Obligations allowed in such judicial proceeding, and

(ii) to collect and receive any moneys or other property payable or deliverable on any such claims and to distribute the same;

and any receiver, assignee, trustee, liquidator, sequestrator, custodian, or other similar official in any such judicial proceeding is hereby authorized by each Holder of Obligations to make such payments to the Master Trustee, and in the event that the Master Trustee shall consent to the making of such payments directly to the Holders of Obligations, to pay to the Master Trustee any amount due to it for the reasonable compensation, expenses, disbursements, and advances of the Master Trustee, its agents and counsel, and any other amounts due the Master Trustee under this Master Indenture which shall be deemed an administrative claim.

Nothing herein contained shall be deemed to authorize the Master Trustee to authorize or consent to or accept or adopt on behalf of any Holder of Obligations any plan of reorganization, arrangement, adjustment or composition affecting the Obligations or the rights of any Holder thereof, or to authorize the Master Trustee to vote in respect of the claim of any Holder of Obligations in any such proceeding.

Section 7.08. Master Trustee May Enforce Claims Without Possession of Obligations. All rights of action and claims under this Master Indenture or the Obligations may be prosecuted and enforced by the Master Trustee without the possession of any of the Obligations or the production thereof in any proceeding relating thereto, and any such proceeding instituted by the Master Trustee shall be brought in its own name as trustee of an express trust, and any recovery of judgment shall, after provision for the payment of the reasonable compensation, expenses, disbursements, and advances of the Master Trustee, its agents and counsel, be for the ratable

benefit of the Holders of the Obligations in respect of which such judgment has been recovered.

Section 7.09. Application of Money Collected. All moneys received by the Master Trustee pursuant to any right given or action taken under the provisions of this Article (except moneys held for the payment of Obligations called for prepayment or redemption which have become due and payable) shall, together with all other moneys held by the Master Trustee hereunder, after payment of the cost and expenses of the proceedings resulting in the collection of such moneys and of the fees of, expenses, liabilities and advances incurred or made by the Master Trustee, any Related Issuers and any Related Bond Trustees, be applied as follows:

(a) Unless the principal of all the Obligations shall have become or shall have been declared due and payable, all such moneys shall be applied:

FIRST: To the payment to the persons entitled thereto of all installments of interest then due on the Senior Obligations, in the order of the maturity of the installments of such interest, and, if the amount available shall not be sufficient to pay in full any particular installment, then to the payment ratably, according to the amounts due on such installment, to the persons entitled thereto, without any discrimination or privilege; and

SECOND: To the payment to the persons entitled thereto of the unpaid principal and premium, if any, on the Senior Obligations secured on a parity therewith, which shall have become due (other than Obligations called for redemption or payment for payment of which moneys are held pursuant to the provisions of this Master Indenture), in the order of the scheduled dates of their payment, and, if the amount available shall not be sufficient to pay in full the Senior Obligations due on any particular date, then to the payment ratably, according to the amount of principal and premium due on such date, to the persons entitled thereto without any discrimination or privilege; and

THIRD: To the payment to the persons entitled thereto of all installments of interest then due on the Subordinate Obligations, in the order of the maturity of the installments of such interest, and, if the amount available shall not be sufficient to pay in full any particular installment, then to the payment ratably, according to the amounts due on such installment, to the persons entitled thereto, without any discrimination or privilege; and

FOURTH: To the payment to the persons entitled thereto of the unpaid principal and premium, if any, on the Subordinate Obligations, which shall have become due (other than Obligations called for redemption or payment for payment of which moneys are held pursuant to the provisions of this Master Indenture), in the order of the scheduled dates of their payment, and, if the amount available shall not be sufficient to pay in full the Subordinate Obligations due on any particular date, then to the payment ratably, according to the amount of principal and premium due on such date, to the persons entitled thereto without any discrimination or privilege.

(b) If the principal of all the Obligations shall have become due or shall have been declared due and payable, all such moneys shall be applied first, to the payment of the principal, premium, if any, and interest then due and unpaid upon the Senior Obligations without preference or priority of principal, premium or interest over the others, or of any installment of interest over any other installment of interest, or of any Senior Obligation over any other Senior Obligation, ratably, according to the amounts due respectively for principal, premium, if any, and interest to the persons entitled thereto without any discrimination or privilege, and second, to the payment of the principal, premium, if any, and interest then due and unpaid upon the Subordinate Obligations without preference or priority of principal, premium or interest over the others, or of any installment of interest over any other installment of interest, or of any Subordinate Obligation over any other Subordinate Obligation, ratably, according to the amounts due respectively for principal, premium, if any, and interest to the persons entitled thereto without any discrimination or privilege; and

(c) If the principal of all the Obligations shall have been declared due and payable, and if such declaration shall thereafter have been rescinded and annulled under the provisions of this Article, then, subject to paragraph (b) of this Section 7.09 in the event that the principal of all the Obligations shall later become due or be declared due and payable, the moneys shall be applied in accordance with the provisions of paragraph (a) of this Section 7.09.

Whenever moneys are to be applied by the Master Trustee pursuant to the provisions of this Section 7.09, such moneys shall be applied by it at such times, and from time to time, as the Master Trustee shall determine in its sole discretion, having due regard for the amount of such moneys available for application and the likelihood of additional moneys becoming available for such application in the future. Whenever the Master Trustee shall apply such moneys, it shall fix the date (which shall be an interest payment date unless it shall deem another date more suitable) upon which such application is to be made and upon such date interest on the amounts of principal to be paid on such date shall cease to accrue. The Master Trustee shall give such notice as it may deem appropriate of the deposit with it of any such moneys and of the fixing of any such date, and shall not be required to make payment to the holder of any unpaid Obligation until such Obligation shall be presented to the Master Trustee for appropriate endorsement or for cancellation if fully paid.

Whenever all Obligations and interest thereon have been paid under the provisions of this Section 7.09 and all expenses and charges of the Master Trustee have been paid, any balance remaining shall be paid to the Person entitled to receive the same; if no other person shall be entitled thereto, then the balance shall be paid to the Obligated Group Representative on behalf of the Members.

In the event the Master Trustee incurs expenses or renders services in any proceedings which result from the occurrence or continuance of an Event of Default under Section 7.01(c) or 7.01(d) hereof, or from the occurrence of any event which, by virtue of the passage of time, would become such Event of Default, the expenses so incurred and compensation for services so rendered are intended to constitute expenses of administration under the United States Bankruptcy Code or equivalent law.

Section 7.10. Limitation on Suits. No Holder of any Obligation shall have any right to institute any proceeding, judicial or otherwise, with respect to this Master Indenture, or for the appointment of a receiver or trustee, or for any other remedy hereunder, unless

- (a) such Holder has previously given written notice to the Master Trustee of a continuing Event of Default;
- (b) the Majority Holders shall have made written request to the Master Trustee to institute proceedings in respect of such Event of Default in its own name as Master Trustee hereunder;
- (c) such Holder or Holders have furnished to the Master Trustee indemnity satisfactory to it against the costs, expenses and liabilities to be incurred in compliance with such request;
- (d) the Master Trustee for 60 days after its receipt of such notice, request and furnishing of indemnity has failed to institute any such proceeding; and
- (e) no direction inconsistent with such written request has been given to the Master Trustee during such 60 day period by the Majority Holders;

it being understood and intended that no one or more Holders of Obligations shall have any right in any manner whatever by virtue of, or by availing of, any provision of this Master Indenture to affect, disturb or prejudice the rights of any other Holders of Obligations, or to obtain or to seek to obtain priority or preference over any other Holders, subject to the priority of the Senior Obligations, or to enforce any right under this Master Indenture, except in the manner herein provided and for the equal and ratable benefit of all the Holders of Obligations.

Section 7.11. Unconditional Right of Holders of Obligations to Receive Principal, Premium and Interest. Notwithstanding any other provision in this Master Indenture, but subject to the priority of Senior Obligations and the Subordinate Obligations, the Holder of any Obligation shall have the right which is absolute and unconditional to receive payment of the principal of (and premium, if any) and (subject to Section 2.07 hereof) interest on such Obligation on the respective Stated Maturities expressed in such Obligation (or, in the case of redemption, on the redemption date) and to institute suit for the enforcement of any such payment, and such rights shall not be impaired without the consent of such Holder.

Section 7.12. Restoration of Rights and Remedies. If the Master Trustee or any Holder of Obligations has instituted any proceeding to enforce any right or remedy under this Master Indenture and such proceeding has been discontinued or abandoned for any reason, or has been determined adversely to the Master Trustee or to such Holder of Obligations, then and in every such case the Obligated Group Members, the Master Trustee and the Holders of Obligations shall, subject to any determination in such proceeding, be restored severally and respectively to their former positions hereunder, and thereafter all rights and remedies of the Master Trustee and the Holders of Obligations shall continue as though no such proceeding had been instituted.

Section 7.13. Rights and Remedies Cumulative. No right or remedy herein conferred upon or reserved to the Master Trustee or to the Holders of Obligations is intended to be

exclusive of any other right or remedy, and every right and remedy shall, to the extent permitted by law, be cumulative and in addition to every other right and remedy given hereunder or now or hereafter existing at law or in equity or otherwise. The assertion or employment of any right or remedy hereunder, or otherwise, shall not prevent the concurrent assertion or employment of any other appropriate right or remedy.

Section 7.14. Delay or Omission Not Waiver. No delay or omission of the Master Trustee or of any Holder of any Obligation to exercise any right or remedy accruing upon any Event of Default shall impair any such right or remedy or constitute a waiver of any such Event of Default or an acquiescence therein. Every right and remedy given by this Article or by law to the Master Trustee or to the Holders of Obligations may be exercised from time to time, and as often as may be deemed expedient, by the Master Trustee or by the Holders of Obligations, as the case may be.

Section 7.15. Control by Holders of Obligations. The Majority Holders shall have the right to direct the time, method, and place of conducting any proceeding for any remedy available to the Master Trustee or exercising any trust or power conferred on the Master Trustee, provided that

- (a) such direction shall not be in conflict with any rule of law or with this Master Indenture,
- (b) the Master Trustee may take any other action deemed proper by the Master Trustee which is not inconsistent with such direction; and
- (c) the Master Trustee shall not be required to act on any direction given to it pursuant to this Section until indemnity as set forth in Section 8.03(e) hereof is provided to it by such Holders.

Section 7.16. Waiver of Past Defaults. The Majority Holders may on behalf of the Holders of all the Obligations waive any past default hereunder and its consequences, except a default

- (a) in the payment of the principal of (or premium, if any) or interest on any Obligation, or
- (b) in respect of a covenant or provision hereof which under Article IX cannot be modified or amended without the consent of the Holder of each Outstanding Obligation affected.

Upon any such waiver, such default shall cease to exist, and any Event of Default arising therefrom shall be deemed to have been cured, for every purpose of this Master Indenture; but no such waiver shall extend to any subsequent or other default or impair any right consequent thereon.

Section 7.17. Undertaking for Costs. All parties to this Master Indenture agree, and each Holder of any Obligation by his acceptance thereof shall be deemed to have agreed, that any court may in its discretion require, in any suit for the enforcement of any right or remedy

under this Master Indenture, or in any suit against the Master Trustee for any action taken or omitted by it as Master Trustee, the filing by any party litigant in such suit of an undertaking to pay the costs of such suit, and that such court may in its discretion assess reasonable costs, including reasonable attorneys' fees, against any party litigant in such suit, having due regard to the merits and good faith of the claims or defenses made by such party litigant; but the provisions of this Section shall not apply to any suit instituted by the Master Trustee, to any suit instituted by any Holder of Obligations, or group of Holders of Obligations, holding in the aggregate more than 25% in principal amount of the Outstanding Obligations, or to any suit instituted by any Holder of Obligations for the enforcement of the payment of the principal of (or premium, if any) or interest on any Obligation on or after the respective Stated Maturities expressed in such Obligation (or, in the case of redemption, on or after the redemption date).

Section 7.18. Waiver of Stay or Extension Laws. Each Obligated Group Member covenants (to the extent that it may lawfully do so) that it will not at any time insist upon, or plead, or in any manner whatsoever claim or take the benefit or advantage of, any stay or extension law wherever enacted, now or at any time hereafter in force, which may affect the covenants or the performance of this Master Indenture; and each Obligated Group Member (to the extent that it may lawfully do so) hereby expressly waives all benefit or advantage of any such law, and covenants that it will not hinder, delay, or impede the execution of any power herein granted to the Master Trustee, but will suffer and permit the execution of every such power as though no such law had been enacted.

Section 7.19. Inapplicability of Finance Code. In no event shall the provisions of V.T.C.A., Finance Code, Ch. 346 of the Revised Civil Statutes of Texas (which regulates certain revolving credit loan accounts and revolving tri-party accounts) apply to the loan evidenced by the Obligations secured hereby.

Section 7.20. Subordination of Subordinate Obligations to Senior Obligations.

(a) Notwithstanding any other provision to the contrary in this Master Indenture or otherwise, the right of the Subordinate Obligations to be secured by the lien and security interests created by this Master Indenture is subject in all respects to the prior payment of the Senior Obligations, in each case as the same become due.

(b) Each Holder of the Subordinate Obligations is deemed to have agreed to all the subordination provisions set forth in this Master Indenture, including, without limitation, the following:

(i) General Subordination. To the extent the payment of the Subordinate Obligations is made subordinate to any of the Senior Obligations, the payment of the Subordinate Obligations is expressly made subordinate and subject in right of payment to the prior payment in cash or cash equivalents of all Senior Obligations. No payments of principal, premium (if any) or interest in respect of the Subordinate Obligations shall be made at any time when any payment in respect of a Senior Obligation is unpaid. No payment in respect of any Subordinate Obligation shall be accepted by any Holder of a Subordinate Obligation in violation of the provisions of this Master Indenture.

(ii) Standstill. No Holder of a Subordinate Obligation shall exercise any remedies under this Master Indenture or otherwise in respect of any Subordinate Obligation or exercise any creditors' rights in respect of any Subordinate Obligation, including, without limitation, the filing of any involuntary bankruptcy petition, with respect to an Obligated Group Member or any Property until such time as the Senior Obligations have been finally and indefeasibly paid in full in cash.

(iii) Subordinated in Any Proceeding. Upon any distribution in any proceeding, (i) any Distribution to which the Holders are entitled shall be paid directly to the Holders of Senior Obligations to the extent necessary to make payment in full of all Senior Obligations remaining unpaid after giving effect to all other Distributions to or for the benefit of the Holders of Senior Obligations; and (ii) in the event that any Distribution is received by the Master Trustee before all Senior Obligations are paid in full, such Distribution shall be applied by the Master Trustee in accordance with this Section 7.20.

(iv) Obligations of the Obligated Group Unconditional. This Section 7.20 defines the relative rights of the Holders of Subordinate Obligations and the Holders of Senior Obligations. Nothing in this Master Indenture is intended to or shall impair, as between the Obligated Group and the Holders of Subordinate Obligations, the obligation of the Obligated Group, which is absolute and unconditional, to pay to the Holders of Subordinate Obligations the principal of and interest on such Subordinate Obligations as and when the same shall become due and payable in accordance with their terms, or is intended to or shall affect the relative rights of the Holders of Subordinate Obligations and creditors of the Obligated Group, other than the Holders of Subordinate Obligations of Senior Obligations, nor shall anything herein or in the Obligations prevent the Master Trustee or any Holder from exercising all remedies otherwise permitted by applicable law upon default under this Master Indenture, subject to the rights, if any, under this Section 7.20, of the Holders of Subordinate Obligations or Senior Obligations in respect of any Distribution received upon the exercise of any such remedy. If the Obligated Group fails because of this Section 7.20 to pay principal of or interest on a Subordinate Obligation at Maturity, such failure would nonetheless constitute an Event of Default. Upon any Distribution, the Master Trustee and the Holders of Subordinate Obligations shall be entitled to rely upon any order or decree made by any court of competent jurisdiction in which the Proceeding is pending, or a certificate of the liquidating trustee or agent or other Person making any Distribution for the purpose of ascertaining the Persons entitled to participate in such Distribution, the Holders of Subordinate Obligations of Senior Obligations and other Indebtedness of the Obligated Group, the amount thereof or payable thereon, the amount or amounts paid or distributed thereon and all other facts pertinent thereto or to this Section 7.20.

ARTICLE VIII

CONCERNING THE MASTER TRUSTEE

Section 8.01. Duties and Liabilities of Master Trustee. (a) Except during the continuance of an Event of Default, the Master Trustee undertakes to perform such duties and only such duties as are specifically set forth in this Master Indenture and no implied covenants or obligations shall be read into this Master Indenture against the Master Trustee.

(b) In case any Event of Default has occurred and is continuing, the Master Trustee shall exercise such of the rights and powers vested in it by this Master Indenture, and use the same degree of care and skill in their exercise, as a reasonably prudent man would exercise or use under the circumstances in the conduct of his own affairs.

(c) No provision of this Master Indenture shall be construed to relieve the Master Trustee from liability for its own gross negligent action, its own grossly negligent failure to act, or its own willful misconduct, except, that:

(1) this Subsection shall not be construed to limit the effect of Subsection (a) of this Section;

(2) the Master Trustee shall not be liable for any error of judgment made in good faith by a Responsible Officer, unless it shall be proved that the Master Trustee was negligent in ascertaining the pertinent facts;

(3) the Master Trustee shall not be liable with respect to any action taken or omitted to be taken by it in good faith in accordance with the direction of the Majority Holders relating to the time, method, and place of conducting any proceeding for any remedy available to the Master Trustee, or exercising any trust or power conferred upon the Master Trustee, under this Master Indenture;

(4) no provision of this Master Indenture shall require the Master Trustee to expend or risk its funds or otherwise incur any financial liability in the performance of any of its duties hereunder or in the exercise of any of its rights or powers, if it shall have grounds for believing that the repayment of such funds or indemnity satisfactory to it against such risk or liability is not assured to it; and

(5) in the absence of bad faith on its part, the Master Trustee may conclusively rely, as to the truth of the statements and the correctness of the opinions expressed therein, upon any certificates or opinions furnished to the Master Trustee and conforming to the requirements of this Master Indenture; but in the case of any such certificates or opinions which by any provision hereof are specifically required to be furnished to the Master Trustee, the Master Trustee shall be under a duty to examine the same to determine whether or not they conform to the requirements of this Master Indenture.

(d) Whether or not therein expressly so provided, every provision of this Master

Indenture relating to the conduct or affecting the liability of or affording protection to the Master Trustee shall be subject to the provisions of this Section.

Section 8.02. Notice of Defaults. Within 60 days after the occurrence of any default hereunder of which the Master Trustee is deemed to have knowledge as provided in Section 8.03(h) hereof, the Master Trustee shall transmit by mail to all Registered Owners of Obligations, notice of such default, unless such default shall have been cured or waived; provided, however, that except in the case of a default in the payment of the principal of (or premium, if any) or interest on any Obligations or in the payment of any sinking or purchase fund installment, the Master Trustee shall be protected in withholding such notice if and so long as the board of directors, the executive committee or a trust committee of directors and/or Responsible Officers of the Master Trustee in good faith determine that the withholding of such notice is in the interest of the Holders of Obligations; and provided, further, that in the case of any default of the character specified in Section 7.01(b) no such notice to Holders of Obligations shall be given until at least 30 days after the occurrence thereof. For the purpose of this Section, the term “default” means any event which is, or after notice or lapse of time or both would become, an Event of Default.

Section 8.03. Certain Rights of Master Trustee. Except as otherwise provided in Section 8.01:

(a) The Master Trustee may rely and shall be protected in acting or refraining from acting upon any resolution, certificate, statement, instrument, opinion, report, notice, request, direction, consent, order, approval, bond, debenture, coupon, or other paper or document believed by it to be genuine and to have been signed or presented by the proper party or parties and shall not be required to verify the accuracy of any information or calculations required to be included therein or attached thereto;

(b) Any request or direction of any Person mentioned herein shall be sufficiently evidenced by a Request of such Person; and any resolution of the Governing Body of any Person may be evidenced to the Master Trustee by a Board Resolution of such Person;

(c) Whenever in the administration of this Master Indenture the Master Trustee shall deem it desirable that a matter be proved or established prior to taking, suffering, or omitting any action hereunder, the Master Trustee (unless other evidence be herein specifically prescribed) may, in the absence of bad faith on its part, rely upon an Officer's Certificate;

(d) The Master Trustee may consult with counsel and the written advice of such counsel or any Opinion of Counsel shall be full and complete authorization and protection in respect of any action taken, suffered or omitted by it hereunder in good faith and in reliance thereon;

(e) The Master Trustee shall be under no obligation to exercise any of the rights or powers vested in it by this Master Indenture at the request or direction of any of the Holders of Obligations pursuant to the provisions of this Master Indenture, unless such Holders shall have provided to the Master Trustee security or indemnity satisfactory to it against the costs, expenses, and liabilities which might be incurred by it in connection with such request or direction;

(f) The Master Trustee shall not be bound to make any investigation into the facts or matters stated in any resolution, certificate, statement, instrument, opinion, report, notice, request, direction, consent, order, approval, bond, debenture, coupon, or other paper or document but the Master Trustee, in its discretion, may make such further inquiry or investigation into such facts or matters as it may see fit, and, if the Master Trustee shall determine to make such further inquiry or investigation, it shall be entitled to examine the books, records, and premises of the Obligated Group Members and each other obligor on the Obligations, personally or by agent or attorney;

(g) The Master Trustee may execute any of the trusts or powers hereunder or perform any duties hereunder either directly or by or through agents or attorneys and the Master Trustee shall not be responsible for any misconduct or negligence on the part of any agent or attorney appointed with due care hereunder;

(h) The Master Trustee shall not be deemed to have knowledge of any default (as defined in Section 8.02 hereof) hereunder, except an Event of Default under Section 7.01(a) hereof, unless a Responsible Officer has actually received notice of such default in writing from any Obligated Group Member or the Holder of any Obligation, referencing the Obligations and describing such default;

(i) The permissive right of the Master Trustee to do things enumerated in this Master Indenture shall not be construed as a duty (except as otherwise herein provided). It shall not be the duty of the Master Trustee, except as herein provided, to see that any duties or obligations herein imposed upon any Obligated Group Member or any other Person are performed, and the Master Trustee shall not be liable or responsible for the failure of any Obligated Group Member or any other Person to perform any act required of it or them by this Master Indenture;

(j) The Master Trustee is not required to give any bond or surety with respect to the performance of its duties or the exercise of its powers under this Master Indenture;

(k) In the event the Master Trustee receives inconsistent or conflicting requests and indemnity from two or more groups of holders of Obligations, each representing less than a majority in aggregate principal amount of the Obligations Outstanding, the Master Trustee, in its sole discretion, may determine what action, if any, shall be taken;

(l) The Master Trustee's immunities and protections from liability in connection with the performance of its duties under this Master Indenture shall extend to the Master Trustee's officers, directors, agents and employees. Such immunities and protections, together with the Master Trustee's right to compensation, shall survive the Master Trustee's resignation or removal and final payment of the Obligations; and

(m) Except for information provided by the Master Trustee concerning the Master Trustee, the Master Trustee shall have no responsibility for any information in any offering memorandum or other disclosure material distributed with respect to the Obligations, and the Master Trustee shall have no responsibility for compliance with any state or federal securities laws in connection with the Obligations.

Section 8.04. Not Responsible For Recitals or Issuance of Obligations. The recitals contained herein and in the Obligations (other than the certificate of authentication on such Obligations) shall be taken as the statements of the Obligated Group Members, and the Master Trustee assumes no responsibility for their correctness. The Master Trustee makes no representations as to the validity or sufficiency of this Master Indenture or of the Obligations. The Master Trustee shall not be accountable for the use or application by the Obligated Group Members of any of the Obligations or of the proceeds of such Obligations. The Master Trustee is not a party to, and is not responsible for, and makes no representation with respect to matters set forth in any preliminary official statement, official statement, or similar document prepared and distributed in connection with the transactions contemplated in this Master Indenture.

Section 8.05. Master Trustee or Registrar May Own Obligations. The Master Trustee, any Paying Agent, registrar, or any other agent of the Obligated Group Members, in its individual or any other capacity, may become the owner or pledgee of Obligations and may otherwise deal with the Obligated Group Members with the same rights it would have if it were not Master Trustee, Paying Agent, Obligation registrar, or such other agent.

Section 8.06. Money to Be Held in Trust. All money received by the Master Trustee shall, until used or applied as herein provided, be held in trust for the purposes for which they were received, but need not be segregated from other funds except to the extent required by law. The Master Trustee shall be under no liability for interest on any money received by it hereunder other than such interest as it expressly agrees to pay.

Section 8.07. Compensation and Expenses of Master Trustee. The Obligated Group Members agree

(a) to pay to the Master Trustee from time to time reasonable compensation for all services rendered by it hereunder;

(b) to reimburse the Master Trustee upon its request for all reasonable expenses, disbursements and advances incurred or made by the Master Trustee in accordance with any provision of this Master Indenture (including the reasonable compensation and the expenses and disbursements, of its agents and counsel) except any such expense, disbursement, or advance as may arise from its gross negligence or bad faith; and

(c) each Obligated Group Member shall indemnify the Master Trustee for, and hold it harmless against any loss, liability or expense incurred by it without gross negligence or bad faith on its part, arising out of and in connection with the acceptance or administration of this trust, including the reasonable costs and expenses of defending itself against any claim or liability in connection with the exercise or performance of any of its powers or duties hereunder.

As security for the payment of its fees and expenses hereunder, the Master Trustee shall have a lien on funds and accounts held under this Master Indenture, prior to the lien granted to the Holders of the Obligations Outstanding.

Section 8.08. Corporate Master Trustee Required; Eligibility. There shall at all times

be a Master Trustee hereunder which shall be a banking corporation, bank or trust company organized and doing business under the laws of the United States of America or of any state, authorized under such laws to exercise corporate trust powers, having a combined capital and surplus of at least \$50,000,000, subject to supervision or examination by Federal or State banking authority, and having its principal office in the State of Texas, or in New York, New York. If such corporation publishes reports of condition at least annually, pursuant to law or to the requirements of the aforesaid supervising or examining authority, then for the purposes of this Section, the combined capital and surplus of such corporation shall be deemed to be its combined capital and surplus as set forth in its most recent report of condition so published. If at any time the Master Trustee shall cease to be eligible in accordance with the provisions of this Section, it shall resign promptly in the manner and with the effect hereinafter specified in this Article.

Section 8.09. Resignation and Removal; Appointment of Successor. (a) No resignation or removal of the Master Trustee and no appointment of a successor Master Trustee pursuant to this Article shall become effective until the acceptance of appointment by the successor Master Trustee under Section 8.10.

(b) The Master Trustee may resign at any time by giving written notice thereof to the Obligated Group Representative. If an instrument of acceptance by a successor Master Trustee shall not have been delivered to the Master Trustee within 30 days after the giving of such notice of resignation, the resigning Master Trustee may petition any court of competent jurisdiction for the appointment of a successor Master Trustee.

(c) The Master Trustee may be removed (i) if no Event of Default has occurred and is continuing under this Master Indenture, then by act of the Obligated Group Representative delivered to the Master Trustee and (ii) at any time by act of the Majority Holders delivered to the Master Trustee and to the Obligated Group Representative.

(d) If at any time:

(1) the Master Trustee shall cease to be eligible under Section 8.08 and shall have resigned or been removed shall fail to resign after written request therefor by the Obligated Group Representative or by any such Holder of Obligations, or

(2) the Master Trustee shall become incapable of acting or shall be adjudged a bankrupt or insolvent or a receiver of the Master Trustee or of its property shall be appointed or any public officer shall take charge or control of the Master Trustee or of its property or affairs for the purpose of rehabilitation, conservation or liquidation,

then, in any such case, (A) the Obligated Group Representative by written request may remove the Master Trustee, or (B) subject to Section 7.17, any Holder of Obligations who has been a bona fide Holder of a Obligation for at least 6 months may, on behalf of himself and all others similarly situated, petition any court of competent jurisdiction for the removal of the Master Trustee and the appointment of successor Master Trustee.

(e) If the Master Trustee shall resign, be removed or become incapable of acting, or if

a vacancy shall occur in the office of Master Trustee for any cause, a successor Master Trustee shall be appointed by Act of the Majority Holders delivered to the Obligated Group Representative and the retiring Master Trustee. If the Majority Holders do not appoint a successor Master Trustee within thirty (30) days of notice of any resignation, removal or vacancy, the Obligated Group Representative, by an Obligated Group Representative Request, shall promptly appoint a successor Master Trustee. If, within one year after such resignation, removal or incapability, or the occurrence of such vacancy, a successor Master Trustee shall be appointed by Act of the Majority Holders delivered to the Obligated Group Representative and the retiring Master Trustee, the successor Master Trustee so appointed shall, forthwith upon its acceptance of such appointment, become the successor Master Trustee and supersede the successor Master Trustee appointed by the Obligated Group Representative. If no successor Master Trustee shall have been so appointed by the Obligated Group Representative or the Holders of Obligations and accepted appointment in the manner hereinafter provided, any Holder of Obligations who has been a bona fide Holder of a Obligation for at least 6 months may, on behalf of himself and all others similarly situated, petition any court of competent jurisdiction for the appointment of a successor Master Trustee.

(f) The Obligated Group Representative shall give notice of each resignation and each removal of the Master Trustee and each appointment of a successor Master Trustee by mailing written notice of such event by first class mail, postage prepaid, to the registered Holders of Obligations at their addresses as shown in the Obligation Register. Each notice shall include the name and address of the designated corporate trust office of the successor Master Trustee.

Section 8.10. Acceptance of Appointment by Successor. Every successor Master Trustee appointed hereunder shall execute, acknowledge and deliver to the Obligated Group Representative and to the retiring Master Trustee an instrument accepting such appointment, and thereupon the resignation or removal of the retiring Master Trustee shall become effective and such successor Master Trustee, without any further act, deed, or conveyance, shall become vested with all the rights, powers, trusts, and duties of the retiring Master Trustee; but, on request of the Obligated Group Representative or the successor Master Trustee, such retiring Master Trustee shall, upon payment of its charges and the amounts due to it hereunder, execute and deliver an instrument transferring to such successor Master Trustee all the rights, powers, and trusts of the retiring Trustee, and shall duly assign, transfer, and deliver to the successor Master Trustee all property and money held by such retiring Master Trustee hereunder. Upon request of any such successor Master Trustee, the Obligated Group Representative shall execute any and all instruments for more fully and certainly vesting in and confirming to such successor Master Trustee all such rights, powers, and trusts.

No successor Master Trustee shall accept its appointment unless at the time of such acceptance such successor Master Trustee shall be qualified and eligible under this Article. The indemnity provided for in Section 8.07(c) herein shall continue to be binding upon the Members of the Obligated Group for the benefit of the retiring or removed Master Trustee.

Section 8.11. Merger or Consolidation. Any corporation into which the Master Trustee may be merged or with which it may be consolidated, or any corporation resulting from any merger or consolidation to which the Master Trustee shall be a party, or any corporation succeeding to all or substantially all of the corporate trust business of the Master Trustee, shall

be the successor Master Trustee hereunder, provided such corporation shall be otherwise qualified and eligible under this Article, without the execution or filing of any paper or any further act on the part of any of the parties hereto. In case any Obligations shall have been authenticated, but not delivered, by the Master Trustee then in office, any successor by merger or consolidation to such authenticating Master Trustee may adopt such authentication and deliver the Obligations so authenticated with the same effect as if such successor Master Trustee had itself authenticated such Obligations.

Section 8.12. Master Trustee as Related Bond Trustee. The Master Trustee may serve as Related Bond Trustee under any Related Bond Indenture so long as the Master Trustee is the Related Bond Trustee for all outstanding Related Bonds. If an entity other than the Master Trustee becomes a Related Bond Trustee, the Master Trustee hereby agrees to promptly resign from its role as Master Trustee or Related Bond Trustee, at its option, on its own motion and a successor Master Trustee or Related Bond Trustee, as appropriate, shall be appointed and qualified as set forth in Section 8.09 hereof or in the Related Bond Indenture.

ARTICLE IX

SUPPLEMENTS AND AMENDMENTS

Section 9.01. Supplements Without Consent of Holders of Obligations. Without the consent of the Holders of any Obligations, each Obligated Group Member, when authorized by a Board Resolution, and the Master Trustee at any time may enter into one or more Supplements for any of the following purposes:

- (a) to evidence the succession of another Person to an Obligated Group Member, or successive successions, and the assumption by the successor Person of the covenants, agreements and obligations of an Obligated Group Member as permitted by this Master Indenture or to evidence additions to, or withdrawals from, membership in the Obligated Group in accordance with the provisions of Article VI hereof;
- (b) to add to the covenants of the Obligated Group Members for the benefit of the Holders of Obligations, or to surrender any right or power herein conferred upon the Obligated Group Members, or to add to the Events of Default enumerated in Section 7.01;
- (c) to cure any ambiguity or to correct or supplement any provision herein that may be inconsistent with any other provision herein;
- (d) to modify or supplement this Master Indenture in such manner as may be necessary or appropriate to qualify this Master Indenture under the Trust Indenture Act of 1939 as then amended, or under any similar Federal or State statute or regulation, including provisions whereby the Master Trustee accepts such powers, duties, conditions and restrictions hereunder and the Obligated Group Members undertake such covenants, conditions or restrictions additional to those contained in this Master Indenture as would be necessary or appropriate so to qualify this Master Indenture; provided, however, that nothing herein contained shall be deemed to authorize inclusion in this Master Indenture or in any Supplements provisions referred to in Section 316(a)(2) of the said Trust Indenture Act or any corresponding provision provided for in any similar statute hereafter in effect;
- (e) to create and provide for the issuance of Obligations as permitted hereunder; and
- (f) to make any amendment to any provision of this Master Indenture or to any Supplement which is only applicable to Obligations issued thereafter or which will not apply so long as any Obligation then Outstanding remains Outstanding.

Section 9.02. Supplements With Consent of Holders of Obligations. With the consent of the Holders of not less than a majority in principal amount of the Senior Outstanding Obligations and Holders of not less than a majority in principal amount of the Subordinate Outstanding Obligations, by Act of said Holders delivered to the Obligated Group Representative and the Master Trustee, each Obligated Group Member, when authorized by a Board Resolution, and the Master Trustee may enter into Supplements for the purpose of adding any provisions to or changing in any manner or eliminating any of the provisions of this Master Indenture or of modifying in any manner the rights of the Holders of the Obligations under this

Master Indenture; provided however if such amendment shall only affect the Senior Obligations, only the consent of the Holders of not less than a majority in principal amount of the Senior Outstanding Obligations shall be required and if such amendment shall only affect the Subordinate Obligations, only the consent of the Holders of not less than a majority in principal amount of the Subordinate Outstanding Obligations shall be required; provided, however, that no such Supplement shall, without the consent of the Holder of each Outstanding Obligations affected thereby:

(a) change the Stated Maturity of the principal of, or any installment of interest on, any Obligations or any date for mandatory redemption thereof, or reduce the principal amount thereof or the interest thereon or any premium payable upon the redemption thereof, or change any Place of Payment where, or the coin or currency in which, any Obligations or the interest thereon is payable, or impair the right to institute suit for the enforcement of any such payment on or after the Stated Maturity thereof (or, in the case of redemption, on or after the redemption date), or

(b) reduce the percentage in principal amount of the Outstanding Obligations, the consent of whose Holders is required for any such Supplement, or the consent of whose Holders is required for any waiver (of compliance with certain provisions of this Master Indenture or certain defaults hereunder and their consequences) provided for in this Master Indenture, or

(c) modify any of the provisions of this Section or Section 7.16, except to increase any such percentage or to provide that certain other provisions of this Master Indenture cannot be modified or waived without the consent of the Holder of each Obligation affected thereby.

It shall not be necessary for any Act of Holders of Obligation under this Section to approve the particular form of any proposed Supplement, but it shall be sufficient if such Act shall approve the substance thereof.

Section 9.03. Execution of Supplements. In executing, or accepting the additional trusts created by, any Supplement permitted by this Article or the modifications thereby of the trusts created by this Master Indenture the Master Trustee shall be entitled to receive, and shall be fully protected in relying upon, an Opinion of Counsel stating that the execution of such Supplemental is authorized or permitted by this Master Indenture and that all conditions precedent thereto have been complied with. The Master Trustee may, but shall not (except to the extent required in the case of a Supplement entered into under Section 9.01(d)) be obligated to, enter into any such Supplement which affects the Master Trustee's own rights, duties or immunities under this Master Indenture or otherwise.

Section 9.04. Effect of Supplement. Upon the execution of any Supplement under this Article, this Master Indenture shall, with respect to each series of Obligations to which such Supplement applies, be modified in accordance therewith, and such Supplement shall form a part of this Master Indenture for all purposes, and every Holder of Obligations thereafter or (except to the extent provided pursuant to Section 9.01(h)) theretofore authenticated and delivered hereunder shall be bound thereby.

Section 9.05. Obligations May Bear Notation of Changes. Obligations authenticated and delivered after the execution of any Supplement pursuant to this Article may bear a notation

in form approved by the Master Trustee as to any matter provided for in such Supplement. If the Obligated Group Representative or the Master Trustee shall so determine, new Obligations so modified as to conform, in the opinion of the Master Trustee and the Obligated Group Representative, to any such Supplement may be prepared and executed by the applicable Obligated Group Member and authenticated and delivered by the Master Trustee in exchange for Obligations then Outstanding.

ARTICLE X

SATISFACTION AND DISCHARGE OF INDENTURE; UNCLAIMED MONEYS

Section 10.01. Satisfaction and Discharge of Indenture. If at any time the Obligated Group Members shall have paid or caused to be paid the principal of (and premium, if any) and interest on all the Obligations Outstanding hereunder, as and when the same shall have become due and payable, and if the Obligated Group Members shall also pay or provide for the payment of all other sums payable hereunder by each Obligated Group Member then this Master Indenture shall cease to be of further effect (except as to (1) rights of registration of transfer and exchange, (2) substitution of mutilated, defaced, or apparently destroyed, lost or stolen Obligations, (3) rights of Holders to receive payments of principal thereof (and premium, if any) and interest thereon, (4) the rights, remaining obligations, if any, and immunities of the Master Trustee hereunder and (5) the rights of the Holders as beneficiaries hereof with respect to the property so deposited with the Master Trustee payable to all or any of them) and the Master Trustee, on the Obligated Group Representative's Request accompanied by an Officer's Certificate and an Opinion of Counsel (both to the effect that all conditions precedent in this Master Indenture relating to the satisfaction and discharge of this Master Indenture have been satisfied) and at the cost and expense of the Obligated Group Representative, shall execute proper instruments acknowledging satisfaction of and discharging this Master Indenture.

Notwithstanding the satisfaction and discharge of this Master Indenture, the obligations of the Obligated Group Members to the Master Trustee under Section 8.07 and, if funds shall have been deposited with the Master Trustee pursuant to Section 10.02, the obligations of the Master Trustee under Section 10.03 shall survive.

Section 10.02. Obligations Deemed Paid. Obligations of any series shall be deemed to have been paid if (1) in case said Obligations are to be redeemed on any date prior to their Stated Maturity, the Obligated Group Representative by Obligated Group Representative Request shall have given to the Master Trustee in form satisfactory to it irrevocable instructions to give notice of redemption of such Obligations on said redemption date, (2) there shall have been deposited with the Master Trustee either money sufficient, or Defeasance Obligations the principal of and the interest on which will provide money sufficient without reinvestment (as established by an Officer's Certificate delivered to the Master Trustee accompanied by a report of an Independent Accountant setting forth the calculations upon which such Officer's Certificate is based), to pay when due the principal of (and premium, if any) and interest due and to become due on said Obligations on and prior to the redemption date or Stated Maturity thereof, as the case may be, and (3) in the event said Obligations are not by their terms subject to redemption within the next 45 days, the Obligated Group Representative by Obligated Group Representative Request shall have given the Master Trustee in form satisfactory to it irrevocable instructions to give a notice to the Holders of such Obligations that the deposit required by (2) above has been made with the Master Trustee and that said Obligations are deemed to have been paid in accordance with this Section and stating such maturity or redemption date upon which money is to be available for the payment of the principal of (and premium, if any) and interest on said Obligations.

Section 10.03. Application of Trust Money. The Defeasance Obligations and money

deposited with the Master Trustee pursuant to Section 10.02 and principal or interest payments on any such Defeasance Obligations shall be held in trust, shall not be sold or reinvested, and shall be applied by it, in accordance with the provisions of the Obligations and this Master Indenture, to the payment, either directly or through any Paying Agent (including the Obligated Group Representative acting as Paying Agent) as the Master Trustee may determine, to the Persons entitled thereto, of the principal (and premium, if any) and interest for whose payment such money or Defeasance Obligations were deposited; provided that, upon delivery to the Master Trustee of an Officer's Certificate (accompanied by the report of an Independent Accountant setting forth the calculations upon which such Officer's Certificate is based) establishing that the money and Defeasance Obligations on deposit following the taking of the proposed action will be sufficient for the purposes described in clause (2) of Section 10.02, any money received from principal or interest payments on Defeasance Obligations deposited with the Master Trustee or the proceeds of any sale of such Defeasance Obligations, if not then needed for such purpose, shall, upon Obligated Group Representative Request be reinvested, to the extent practicable, in other Defeasance Obligations or disposed of as requested by the Obligated Group Representative. For purposes of any calculation required by this Article, any Defeasance Obligation which is subject to redemption at the option of its issuer, the redemption date for which has not been irrevocably established as of the date of such calculation, shall be assumed to cease to bear interest at the earliest date on which such obligation may be redeemed at the option of the issuer and the principal of such obligation shall be assumed to be received at its stated maturity.

Section 10.04. Payment of Related Bonds. Notwithstanding any other provision of this Article X, to the extent that any Related Bonds have been paid or deemed paid pursuant to the Related Bond Indenture then any and all Obligations relating to such Related Bonds shall be considered paid or deemed to have been paid pursuant to this Article X.

ARTICLE XI

MISCELLANEOUS PROVISIONS

Section 11.01. No Personal Liability. No recourse under this Master Indenture or any Obligations shall be had against any officer, director, agent or employee, as such, past, present, or future, of any Obligated Group Member, any Affiliate, the Master Trustee or of any successor corporation; it being expressly understood that this Master Indenture and the obligations incurred hereunder are solely obligations of the entities named herein as obligors, and that no personal liability whatever shall attach to such persons or any of them, under this Master Indenture or any Obligations; and that any and all such personal liability of every name and nature, either at common law or in equity or by constitution or statute, of, and any and all such rights and claims against, every such person because of the creation of the indebtedness hereby authorized, or under or by reason of the obligations, covenants, or agreements contained in this Master Indenture or in any Obligations are hereby expressly waived and released as a condition of, and as a consideration for, the execution of this Master Indenture and the issue of such Obligations.

Section 11.02. Texas Contract. This Master Indenture and the Obligations shall be deemed to be contracts made under the laws of the State of Texas, and for all purposes shall be construed in accordance with the laws of said State applicable to contracts made and to be performed in said State.

Section 11.03. Legal Holidays. If the date for making any payment or the last date for performance of any act or the exercising of any right, as provided in this Master Indenture, shall be a legal holiday or a day on which banking institutions in Houston, Texas [and Minneapolis, Minnesota] are authorized by law to remain closed, such payment may be made or act performed or right exercised on the next succeeding day not a legal holiday or a day on which such banking institutions are authorized by law to remain closed with the same force and effect as if done on the nominal date provided in this Master Indenture.

Section 11.04. Benefits of Provisions of Indenture and Obligations. Nothing in this Master Indenture or in the Obligations, expressed or implied, shall give or be construed to give any Person, other than the parties hereto and the Holders of such Obligations, any legal or equitable right, remedy, or claim under or in respect of this Master Indenture, or under any covenant, condition, and provision herein contained; all its covenants, conditions, and provisions being for the sole benefit of the parties hereto and of the Holders of such Obligations.

Section 11.05. Execution in Counterparts. This Master Indenture may be executed in any number of counterparts, each of which shall be an original; but such counterparts shall together constitute but one and the same instrument.

Section 11.06. UCC Financing Statements. The Members of the Obligated Group hereby expressly grant to the Master Trustee the full right and authority to file any Uniform Commercial Code financing statement, continuation statement or amendment that may be required by law or is, necessary to maintain any security interest granted by the Obligated Group to the Master Trustee pursuant to this Master Indenture. Notwithstanding anything to the contrary contained herein, the Master Trustee shall not be responsible for any initial filings of any financial statements or the information contained therein (including the exhibits thereto), the

perfection of any such security interests, or the accuracy or sufficiency of any description of collateral in such filings, and unless the Master Trustee shall have been notified by the Obligated Group that any such initial filing or description of collateral was or has become defective, the Master Trustee shall be fully protected in relying on such initial filing and descriptions in filing any financing or continuation statement(s) pursuant to this Section. The Obligated Group shall be responsible for and shall pay any reasonable expenses, including legal fees incurred under this section.

IN WITNESS WHEREOF, the parties hereto have caused this Master Indenture to be duly executed by persons thereunto duly authorized, as of the day and year first above written.

BUCKINGHAM SENIOR LIVING COMMUNITY, INC.,
as an Obligated Group Member and
as Obligated Group Representative

By: _____

UMB BANK, N.A., as Master Trustee

By: _____
Authorized Signatory

STATE OF TEXAS

COUNTY OF DALLAS

This instrument was acknowledged before me on _____, 2021, by _____, who is _____ of Buckingham Senior Living Community, Inc., a Texas nonprofit corporation, for and on behalf of said corporation.

Notary Public, State of Texas
[SEAL]

STATE OF TEXAS

COUNTY OF DALLAS

This instrument was acknowledged before me on _____, by _____, who is a _____ of UMB Bank, N.A., a national banking association, for and on behalf of said association.

Notary Public, State of Texas
[SEAL]

EXHIBIT A

LEGAL DESCRIPTION OF THE PREMISES

EXHIBIT B

EXISTING LIENS

EXHIBIT C

PRE-EFFECTIVE DATE REFUND QUEUE

EXHIBIT D

MAXIMUM CAPITAL EXPENDITURES

Year	Maximum Amount
2021	[TBD]
2022	Only from RRF
2023	\$2,100,000
2024	2,250,000
2025	2,400,000
2026	2,550,000
2027	2,700,000
2028	2,900,000
2029	3,100,000
2030	3,300,000

EXHIBIT E

ENTRANCE FEES AND MONTHLY FEES

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE NORTHERN DISTRICT OF TEXAS
DALLAS DIVISION**

In re:	§	
	§	Chapter 11
	§	
BUCKINGHAM SENIOR LIVING	§	Case No. 25-80595 (MVL)
COMMUNITY, INC.,	§	
	§	
Debtor.	§	

**ORDER GRANTING OFFICIAL COMMITTEE OF UNSECURED CREDITORS’
MOTION TO DETERMINE STANDING OR, ALTERNATIVELY,
FOR ORDER GRANTING STANDING TO PURSUE CLAIMS**

Upon consideration of the *Motion to Determine Standing or, Alternatively, for Order Granting Standing to Pursue Claims* (the “**Motion**”) filed by the Official Committee of Unsecured Creditors (the “**Committee**”), and it appearing that this Court has jurisdiction to consider the Motion pursuant to 28 U.S.C. § 1334; and it appearing that the venue of this chapter 11 case and the Motion in this district is proper pursuant to 28 U.S.C. §§ 1408 and 1409; and it appearing that this matter is a core proceeding pursuant to 28 U.S.C. § 157(b); and, after due deliberation, the Court having determined that the relief requested in the Motion is in the best interests of the Debtor,

its estate, its creditors, and all other parties in interest; and the Court having determined that the relief requested in the Motion is reasonable, justified and proper; and it appearing that proper and adequate notice of the Motion has been given and that no other or further notice is necessary; and good and sufficient cause appearing therefor;

IT IS HEREBY ORDER THAT:

1. The Motion is **GRANTED** as set forth herein.
2. The Committee has standing to pursue the claims in the Complaint (as defined in the Motion).
3. This Court retains exclusive jurisdiction with respect to all matters arising from or related to the implementation, interpretation, and enforcement of this order.

END OF ORDER