

RESIDENCE AND SERVICES AGREEMENT
of
The Village at Brookwood
Burlington, North Carolina
Life Care

This Residence and Services Agreement (“Agreement”) is made this _____ day of _____, _____, by and between Alamance Extended Care, Inc., d.b.a. THE VILLAGE AT BROOKWOOD, (“The Village” or Provider) and _____ (“Resident”, if more than one person enters into the agreement, the word “Resident” shall apply to them collectively unless otherwise stated).

Whereas, the Provider is a non-profit 501(c)(3) corporation and a wholly-owned subsidiary of ARMC Health Care (whose other wholly-owned subsidiaries include Alamance Regional Medical Center, Inc., ARMC Physicians Care, Inc., and ARMC Foundation, Inc.), chartered by the State of North Carolina, and is organized to establish and operate a retirement community; and

Whereas, the Provider operates The Village at Brookwood, a continuing care retirement community located on Brookwood Avenue in Burlington, North Carolina, consisting of apartment residences, garden home residences, a community center with common areas and amenities, wellness center and a licensed health care center providing assisted living, skilled nursing care, and a memory care; and

Whereas, the Resident desires to reserve such a residence in The Village, and has made the following choices regarding residence and accompanying fees:

Residence Number: _____

Residence Type _____
(hereinafter referred to as “Residence”)

Entrance Fee: _____

Second Person Entrance Fee: _____

Entrance Fee Option: _____

First Person Monthly Fee: _____

Second Person Monthly Fee: _____

Now, therefore, the Resident and the Provider agree as follows:

I. RESIDENCE, COMMON AREAS, AMENITIES, PROGRAMS AND SERVICES

- A. Residence.** The Resident shall have the lifetime exclusive right to occupy, use, and enjoy the Residence.
- B. Furnishings in the Residence.** The Village provides wall-to-wall carpeting, emergency call system, refrigerator with icemaker, stove, oven, dishwasher, microwave, washer and dryer, garbage disposal, and other furnishings as described in The Village's current literature.
- C. Options and Custom Features in the Residence.** The Resident may select certain options and custom features for the Residence as described in The Village's literature for an additional charge. Any such options and custom features selected and paid for by the Resident will become part of the Residence and the property of The Village. The value of any such improvements will be considered in computing refunds if such options or custom features involve structural changes to the Residence or substantially increase livable square footage in the Residence.
- D. Common Areas and Amenities.** The Village common areas and amenities for the use and benefit of all residents includes a central dining room, private dining room, library, mail boxes, multi-purpose room, lounges, card and game room, arts and crafts room, wellness center with pool, walking areas, beauty/barber shop, gift shop, assisted living residences, health care center, memory care, and other common areas and amenities described in The Village's current literature.
- E. Parking.** The Village provides lighted and well maintained parking areas for the Resident's personal vehicle and parking for guests.
- F. Storage.** Limited storage space in addition to the space in each apartment is provided by The Village for apartment residents. Garden Homes have attic storage and storage rooms adjacent to the carport and/or garage.
- G. Services and Programs.**
- 1. Utilities.** The Village furnishes heating, air conditioning, electricity, water, sewer service, and trash removal. The Resident is responsible for the charges related to telephone, cable television service and internet connections.
 - 2. Dining Services.** Three (3) full meals are available Monday thru Saturday. Brunch is served on Sunday's and there is no evening meal. The cost of one (1) meal per day (at the choice of Resident during the month) is included in the Monthly Fee. The cost of additional meals taken by the Resident will be billed on a monthly basis.
 - 3. Special Diets.** The Dining Department prepares special diets such as low salt, low sugar and gluten free diets at all meals. These foods will be designated in the menus and in the serving areas.

4. **Tray Service.** In the event of illness tray service will be available for delivery to the Residence at no charge. There is a \$2.00 charge for each tray delivered to a resident that is not sick.
5. **Housekeeping Services.** The Village provides weekly housekeeping services including vacuum cleaning, dusting, cleaning of baths and kitchens, trash removal, and laundering of the resident's bed and bath linens. Additional housekeeping may be scheduled at the request and expense of the Resident.
6. **Laundry.** The Village provides washers and dryers in the Residence.
7. **Groundskeeping.** The Village furnishes basic grounds-keeping services including lawn, tree, and shrubbery care. The Resident may plant and maintain certain areas designated for such purpose by The Village.
8. **Maintenance and Repairs.** The Village maintains and repairs its own improvements, furnishings, appliances, and equipment. The Resident will be responsible for the cost of repairing damage to property of The Village caused by the Resident or any guests of the Resident, ordinary wear and tear excepted.
9. **Transportation.** The Village provides local transportation for residents on a regularly scheduled basis. An additional charge may be made for transportation for special, personal, or group trips.
10. **Security.** The Village provides twenty-four (24) hour staffing to include evening and nighttime security patrol. Emergency call devices are provided and smoke detectors will be located in each Residence.
11. **Life Enrichment.** The Village provides planned and scheduled social, recreational, spiritual, educational and cultural activities; arts and crafts classes; and other special activities. Some activities may require an additional charge.
12. **Wellness Programs.** The Village provides a variety of exercise programs, including aquatic classes, exercise equipment and aerobics as a part of an overall Wellness Program that is coordinated to enhance the six/seven dimensions of Wellness.
13. **Health Care Services:**
 - a. **Health Care Center.** The Health Care Center consists of licensed Assisted Living, Memory Care, and Skilled Nursing accommodations.
 - (1) **Assisted Living Services.** The Assisted Living section of the facility is licensed by North Carolina as an Adult Care Home, where assistance with daily living activities will include: bathing, dressing, administration of medication, bed making,

three (3) meals per day, housekeeping, transportation, activities, and personal laundry service.

- (2) **Memory Care.** The Village provides, in a separate Assisted Living section of the facility licensed by North Carolina as an Adult Care Home, specialized services for memory support, including assistance with daily living activities tailored to the different needs of the residents: bathing, dressing, administration of medication, bed making, three (3) meals per day, housekeeping, transportation, specialized activities, and personal laundry service.
- (3) **Skilled Nursing Services.** The Village provides nursing care in its licensed nursing center as may be deemed necessary by the attending staff physician and/or Medical Director. The Resident agrees that nursing care provided by The Village shall be limited to care in keeping with licensure requirements. Services shall include three (3) meals per day, housekeeping, assistance with daily living activities, and nursing services as ordered by the appropriate physician.
- (4) **Staffing.** The Health Care Center is staffed by licensed and certified nursing staff twenty-four (24) hours per day and meets all licensing requirements.

b. Clinic Services:

- (1) A primary care clinic is available on site during scheduled hours for resident use.
- (2) The Village provides clinic services for certain examinations, consultations, checks, tests, and appointments as authorized by The Village.
- (3) Additional periodic services are provided through the Clinic as deemed necessary by The Village and may include: pharmacy; dental, podiatric, and optical services; laboratory tests; physical therapy; occupational therapy, including therapeutic activities and rehabilitative treatments; wheelchairs and other medical equipment and supplies. The cost of such services shall be the responsibility of the Resident.

c. Medical Director. The overall coordination and supervision of health care services by The Village is provided by a Medical Director who is a licensed physician selected by Provider.

d. Physician Services. The Resident is responsible for the cost of all physician services. Residents are free to choose their personal physicians; however, the Resident must have at least one physician

on record that has been approved for admitting privileges by the Alamance Regional Medical Center Medical Staff.

II. FINANCIAL ARRANGEMENTS

- A. **Entrance Fee Refund Options.** The Resident agrees to pay to The Village an Entrance Fee as a condition of becoming a Resident. Refunds will be handled as described in Section VI. C. & D. below. The Resident shall choose one of the following Entrance Fee Refund Options:

Entrance Fee Refund Option	Amortization Schedule
Standard	The Entrance Fee (less an initial 6% nonrefundable fee) will be amortized at 2% per month for 47 months after which time the Entrance Fee is fully amortized. Said refund will be paid (as described in Section VI.C. below).
50% Refund	The Entrance Fee (less an initial 6% nonrefundable fee) will be amortized at 2% per month for 22 months. Said refund will be paid (as described in Section VI.C. below)
90% Refund	The Entrance Fee (less an initial 6% nonrefundable fee) will be amortized at 2% per month for 2 months. Said refund will be paid (as described in Section VI.C. below)

The Resident must notify The Village in writing of the selection of the Standard, 50% Refund or 90% Refund Entrance Fee Option on or before the date that the balance of the Entrance Fee is paid as provided in Section II.B.2. below. The Resident may not change the option selected after the date that the balance of the Entrance Fee is paid.

- B. **Terms of Payment of the Entrance Fee.** The terms of payment of the Entrance Fee shall be as follows:

1. **Ten Percent (10%) Deposit.** An amount equal to Ten Percent (10%) of the total Standard Entrance Fee, (less the One Thousand Dollar (\$1,000.00) FAP fee if applicable), is due and payable upon execution of this Agreement; and,

2. **Balance of the Entrance Fee.** The balance of the total Entrance Fee for the Entrance Fee Option selected by the Resident will be due and payable by the mutually agreed upon date of occupancy.

- C. **Monthly Fee.** In addition to the Entrance Fee, the Resident agrees to pay a Monthly Fee during occupancy which shall be payable in advance by the 10th of each month. The first month's Monthly Fee is due and payable by the date of occupancy and will be prorated based on the day of the month.

- D. **Adjustments in the Monthly Fee.** The Monthly Fee provides for the facilities, programs, and services described in this Agreement and is intended to meet the cost of the expenses associated with the operation and management of The Village. The Village shall have the authority and discretion to adjust the Monthly Fee during the term of this Agreement to reflect increases and changes in costs of providing the facilities, programs, and services described herein consistent with operating on a sound financial basis and maintaining the quality of services provided to residents. At least a thirty (30) day notice will be given to the Resident before any adjustment in fees or charges.

- E. **Away Allowance.** Residents away from The Village for fourteen (14) consecutive days or more, and who make arrangements in advance with The Village, will be credited with a current published away meal credit allowance determined by The Village.

- F. **Monthly Statements.** The Village will furnish the Resident with a monthly statement showing the total amount of fees and other charges owed by the Resident which shall be due and payable by the 10th day of each month. The Village may charge interest at a rate of one and one-half Percent (1½%) per month on any unpaid balance owed by the Resident Thirty (30) Days after the monthly statement is furnished.

- G. **Fees and Charges for Health Care Services.**
 1. **Life Care Benefit.** Should the Resident qualify for services in the Health Care Center, it is understood that the Resident will be charged the amount equal to the weighted average of the first-person monthly fee of all Residences in The Village at the time of transfer. In addition to the Monthly Fee, charges will be made for two (2) additional meals per day and other charges for ancillary services as more fully described in Section II. G.2.3. below. Notwithstanding the above, Residents will not be eligible for the Life Care Benefit until age 65. Should care in the Health Care Center be required prior to age 65, the terms under Section III.L. for direct admission shall apply.

 2. **Additional Charges for Ancillary Services.** Charges in addition to the monthly fee may be made for ancillary services provided at The Village. Examples of such additional ancillary charges include, but are not limited to: the cost of prescription and non-prescription medications; surgical, podiatric, dental, optical services; physical examinations; physician services;

laboratory tests; physical therapy, occupational therapy, rehabilitative treatments; wheelchairs; other medical equipment and supplies; and any other medical services beyond those available in The Village. Also, any professional services (medical or otherwise) contracted by the Resident or on behalf of the Resident shall be billed directly to the Resident or their assigned third party.

3. **Illness Away From The Village.** The Resident agrees to assume all financial responsibility for hospital, medical and nursing care during any illness or accident occurring while away from The Village and to see that, upon return, full medical information is supplied to The Village for the Resident's medical records file.

III. **ADMISSION REQUIREMENTS AND PROCEDURES**

The admission requirements for residence at The Village are non-discriminatory except as to age, and The Village is open to both married and single men and women of all races and religions. A prospective resident will become qualified for admission to The Village upon satisfaction of the following provisions:

- A. **Age.** Generally, admission is restricted to person's 62 years of age or older. If one member of the residential party is 62, the co-resident may be 55 years of age or older. Eligibility for Life Care benefits is limited exclusively to persons over 65.
- B. **Personal Interview.** The Resident shall have an interview with a representative from The Village prior to taking residency.
- C. **Friends Advantage.** The Resident may have become a part of the Friends Advantage Program (FAP) by payment of a \$1,200 application fee. Of that fee, \$1,000 will be credited toward the entry fee; \$200 will be retained for administrative costs. Members of the Friends Advantage Program will receive advance notice of openings and will have priority in residence choices.
- D. **10% Deposit.** The resident shall place a 10% deposit on the residence that has been chosen. This will reserve the residence during the application approval process.
- E. **Residence and Services Agreement.** Upon notification of acceptance by Provider, the Resident shall enter into this Agreement.
- F. **Application Forms.** The Resident shall submit for approval by the Review Committee appointed by Provider, an Application for Admission, a Personal Health History, and a Confidential Financial Statement, all on forms furnished by The Village within (14) Days after the execution of the Reservation Agreement.
- G. **Review Committee.** Upon receipt of the completed application forms, Provider's Review Committee will review the forms submitted by the Resident for initial acceptance to The Village. Based on entrance criteria and policies established by the Board of Directors of the Provider, the Review Committee will approve or deny the

application for initial acceptance within (14) Days' of receipt of the completed application forms. The Resident will be promptly notified of the decision of the Review Committee.

- H. **Date of Availability.** Provider will notify the Resident Forty-five (45) Days in advance of the date on which the Residence is available for occupancy. The Balance of the Entrance Fee and the first month's Monthly Fee are payable by the mutually agreed upon date of occupancy.
- I. **Health Requirements.** Prior to admission to The Village, the Resident shall submit a report of a physical examination of the Resident made by a physician selected by the Resident within Sixty (60) Days prior to occupancy. The report shall include a statement by the physician that the Resident is in good health and is capable of independent living (able to provide self care in activities of daily living). Provider may require the Resident to have another physical examination by the Medical Director or by another physician approved by Provider. The Resident shall be responsible for the cost of such physical examinations. If the health of the Resident as disclosed by such physical examination differs materially from that disclosed in the Resident's Application for Admission and Personal Health History, Provider shall have the right to decline admission of the Resident to the Residence and may offer occupancy in the Health Care Center under the terms of Section III.K. below.
- J. **Financial Requirements.** The Resident must have assets and income which will be sufficient to pay the financial obligations of the Resident under this Agreement and to meet their ordinary living expenses. Provider, at its discretion, may require the Resident(s) to furnish additional, current financial information.
- K. **Representations.** The Resident affirms that the representations made in the Application for Admission, Personal Health History, and Confidential Financial Statement are true and correct and may be relied upon by the Provider as a basis for entering into this Agreement.
- L. **Direct Admission to Health Care Center.** Upon admission, if it is determined by Provider that Resident is unable to live independently in the residence, such resident may be offered direct admission to the Health Care Center. Such Resident shall pay the current Direct Admission Entrance Fee and shall pay monthly fees equal to the current private pay rate in the Health Care Center (for the required level of care, Assisted Living, Skilled Care or Memory Care). Residents directly admitted to the Health Care Center shall complete a separate Direct Admission Agreement and applications as required by the Provider and North Carolina licensure statutes. The second occupant or spouse of a Resident who qualifies for direct admission shall continue to be governed by the terms of this Agreement as a single occupant of the Residence.

This same monthly rate shall apply to any Resident under the age of 65 who requires the services provided in the Health Care Center. Upon attainment of age 65, the Resident will be eligible for the Life Care Benefit if the individual or spouse of a couple has paid an entrance fee for Independent Living and the rate for such services shall be calculated as explained in Section II.I.1. above.

IV. **TERMS OF OCCUPANCY**

- A. **Rights of Resident.** The Resident has the right to occupy, use, and enjoy the Residence, common areas, amenities, programs, and services of The Village during the term of this Agreement. It is understood that this Agreement does not transfer or grant any interest in the real or personal property owned by the Provider other than the rights and privileges as described in this Agreement.

Occupancy (and the obligations of the Provider for care of the Resident) shall be defined as beginning when the Resident has paid the Entrance Fee in full and has paid the first month's Monthly Fee.

- B. **Policies and Procedures.** The Resident will abide by The Village's policies and procedures and such amendments, modifications, and changes of the policies and procedures as may hereafter be adopted by the Provider.
- C. **Changes in the Residence, Services, or Fees.** Provider has the right to change the Residence, the services offered, or the fees charged to meet requirements of, or changes to any applicable statute, law, or regulation. The Residence may not be used in any manner in violation of any zoning ordinances or other governmental law or regulation.
- D. **Visitors.** Except for short-term visitors or guests, no person other than the Resident may reside in the Residence without the approval of Provider.
- E. **Occupancy by Two Residents.** In the event that two Residents occupy a Residence under the terms of this Agreement, upon the permanent transfer to the Health Care Center or the death of one Resident, or in the event of the termination of this Agreement with respect to one of the Residents, the Agreement shall continue in effect as to the remaining or surviving Resident who shall have the option to retain the same Residence. Should the remaining or surviving Resident wish to move to another residence, the policies of The Village governing said residence transfer will prevail.
- F. **Marriage During Occupancy.** If a Resident marries a person who is also a Resident, the two Residents may occupy the Residence of either Resident and shall surrender the Residence not to be occupied by them. Such married Residents will pay the Monthly Fee for double occupancy associated with the Residence occupied by them. In the event that a Resident shall marry a person who is not a Resident of The Village, the spouse may become a Resident if such spouse meets all the current requirements for admission to The Village, enters into a current version of the Residence and Services Agreement with Provider, and pays the current single person Entrance Fee for the smallest one bedroom apartment at The Village. The Resident and spouse shall pay the Monthly Fee for double occupancy associated with the Residence occupied by them. If the Resident's spouse does not meet the requirements of The Village for admission as a resident, the Resident may terminate this Agreement in the same manner as provided in Section VI.C. hereof with respect to a voluntary termination.

- G. Loss or Damage of Property.** Provider shall not be responsible for the loss or damage of any property belonging to the Resident due to theft, mysterious disappearance, fire or any other cause. Resident will provide any desired insurance protection covering any such personal loss. Provider shall insure all property (except personal property) within all residences and common areas belonging to The Village.
- H. Health Insurance and Assignments.** If not already enrolled, the Resident shall apply for and secure, before taking occupancy, coverage under Medicare Parts A and B and any other hospital or medical insurance benefit program which supplements Medicare or other comparable insurance accepted by Provider. The Resident shall provide Provider with evidence of such coverage or of an acceptable substitute insurance plan, and shall pay all premiums.

The Resident shall authorize, as necessary, any provider of hospital, medical, and health services to receive reimbursement under the programs designated in this Section IV. H.

If the Resident is or becomes entitled to medical care and/or reimbursement from governmental agencies or insurance policies, application shall be made for such care and benefits, and the Resident shall assign all insurance proceeds receivable to Provider to the extent necessary to reimburse Provider for all health care expenditures made by Provider on behalf of the Resident.

- I. Right of Entry.** Resident hereby authorizes employees or agents of Provider to enter the Residence for the purposes of housekeeping, repairs, maintenance, inspection, fire drills and in the event of an emergency.
- J. Resident's Association.** Residents of The Village are encouraged to participate in the Residents' Association Committees. The organization elects representatives, officers, and other positions to engage in concerted activities set forth by the Residents' Association.
- K. Tobacco Free Campus.** The Village at Brookwood is a Tobacco Free Campus. Smoking and tobacco use is prohibited for residents, staff and visitors. Residents that were residing on campus prior to February 2008 were grandfathered under this policy but are restricted to smoking in their residence only.

V. TRANSFERS OR CHANGES IN LEVELS OF CARE

- A. Voluntary Transfer Between Independent Residences.** The Resident may transfer from one independent Residence to another. The Resident shall have priority for selection of such Residence over non-residents. There will be a refurbishment fee (for the residence being vacated) charged for such a transfer.
- 1. Transfer of Resident to a Larger Residence.** Should the Resident elect to transfer to a larger Residence, an additional Entrance Fee (according to the Entrance Fee Refund Option selected with the Date of Occupancy) equal to

the difference between the current Entrance Fee for the smaller and larger unit will be due to The Village. The Resident will also pay the Monthly Service Fee associated with the larger unit.

2. **Transfer of Resident to a Smaller Residence.** Should the Resident elect to transfer to a smaller Residence, the amount due to the Resident is the difference between the Entrance Fee paid at the time of original occupancy reduced according to the Entrance Fee Refund Option selected with the Date of Occupancy and ending with the date the transfer is complete, and the Entrance Fee in effect on the Date of Occupancy for the smaller unit, similarly reduced (according to the Entrance Fee Refund Option selected with the Date of Occupancy). The Resident will also pay the Monthly Service Fee associated with the smaller unit.

B. **Transfer to the Health Care Center.** The Resident agrees that Provider shall have authority to determine that the Resident should be transferred from one level of care to another level of care within The Village. Such determination shall be based on the professional opinion of Provider, and shall be made only after consultation to the extent practical with the Resident, a representative of the Resident's family, and the Resident's attending physician.

C. **Transfer to Hospital or Other Facility.** If it is determined by Provider that the Resident needs care beyond that which can be provided by The Village; the Resident may be transferred to a hospital, center, or institution equipped to give such care and such care will be at the expense of the Resident. Such transfer of the Resident will be made only after consultation to the extent possible with the Resident, or a representative of the Resident's family, and the Resident's attending physician.

D. **Surrender of Residence.** If a determination is made by Provider that any transfer described in Paragraph V.B. or V.C. is likely to be permanent in nature, the Resident agrees to surrender the Residence upon such transfer. If Provider subsequently determines that the Resident can resume occupancy in a Residence or accommodation comparable to that occupied by the Resident prior to such transfer, the Resident shall have priority to such residence as soon as it becomes available.

VI. **TERMINATION AND REFUND PROVISIONS**

A. **Termination by Resident Prior to Occupancy.** This Agreement may be terminated by the Resident for any reason prior to occupancy by giving written notice to Provider. In the event of such termination, the Resident shall receive a refund of the 10% Deposit paid by the Resident, less a nonrefundable fee equal to 6% of the total amount of the Standard Entrance Fee.

If a resident dies before occupying a living unit in the facility, or if, on account of illness, injury, or incapacity, a resident would be precluded from occupying a living unit in the facility under the terms of the contract for continuing care, the contract is automatically canceled.

No nonrefundable fee will be charged, however, if such termination is because of death of a Resident, or because the Resident's physical, mental or financial condition makes the Resident ineligible for entrance to The Village.

Any such refund shall be paid by The Village within sixty (60) days following receipt of notification of such termination. Provider requires that such notification be in writing.

- B. Trial Period.** The first sixty (60) days of occupancy at The Village will be considered to be a Trial Period. During such sixty (60) day Trial Period, the Resident will have the right to terminate this Agreement by giving Provider written notice of such termination. In the event of such termination by the Resident, or in the event of the death of the Resident during such sixty (60) day Trial Period, the Resident (or the Resident's estate) shall receive a full refund of the Entrance Fee paid, less a nonrefundable fee equal to 6% of the total amount of the Entrance Fee as described in Paragraph II.A. Also, during such sixty (60) day Trial Period, Provider shall have the right to terminate this Agreement based on Provider's determination that the Resident's physical or mental condition or emotional adjustment will not permit adaptation to the living environment at The Village. In the event of such termination by Provider, Provider will refund the full Entrance Fee paid by the Resident. Any refund due the Resident under this paragraph shall be paid within sixty (60) days after the Residence has been vacated by the Resident.
- C. Voluntary Termination After Occupancy.** At any time after occupancy, the Resident may terminate this Agreement by giving Provider written notice of such termination. Any refunds due to the Resident shall be payable as described in Section II.A. Any refund due the Resident under this paragraph will be made at such time as such Resident's Residence shall have been reserved by a prospective resident and such prospective resident shall have paid to The Village the full Entrance Fee, or within one (1) year from the date of termination, whichever first occurs. All refunds may be reduced by the cost of returning the Residence to its original condition and by any outstanding charges due from Resident.
- D. Termination Upon Death.** In the event of death of the Resident at any time after the Trial Period, this Agreement shall terminate and the refund of the Entrance Fee paid by the Resident shall be determined in the same manner described in Section VI.C. above.
- E. Termination by Provider.** Provider may terminate this Agreement at any time if there has been a material misrepresentation or omission made by the Resident in the Resident's Application for Admission, Personal Health History, or Confidential Financial Statement; if the Resident fails to make payment to Provider of any fees and charges due The Village within sixty (60) days of the date when due; or if the Resident does not abide by the rules and regulations adopted by Provider or breaches any of the terms and conditions of this Agreement. In the event of termination of any such causes, the refund of the Entrance Fee paid by the Resident shall be determined in the manner described in Paragraph VI.C. above.

- F. **Condition of Residence.** At termination of this Agreement, the Resident shall vacate the Residence and shall leave it in good condition except for normal wear and tear. The Resident shall be liable to The Village for any cost incurred in restoring the Residence to good condition except for normal wear and tear. Any refunds due the Resident upon termination may be credited against the cost of returning the Residence to its original condition.

VII. **RIGHT OF RESCISSION**

Notwithstanding anything herein to the contrary, this Agreement may be rescinded by the Resident giving written notice of such rescission to The Village within thirty (30) days following the later of the execution of this Agreement or the receipt of the Disclosure Statement that meets the requirements of Section 58-64-25, et.seq. of the North Carolina General Statutes. In the event of such rescission, the Resident shall receive a full refund of the Entrance Fee paid by the Resident. The Resident shall not be required to move into The Village before the expiration of such thirty (30) day period. Any such refund shall be paid by The Village within sixty (60) days following receipt of written notice of rescission pursuant to this paragraph.

VIII. **FINANCIAL ASSISTANCE**

Provider declares that it is the intent of The Village to permit a Resident to continue to reside at The Village if the Resident is no longer capable of paying the prevailing fees and charges of The Village as a result of financial reversals occurring after occupancy, provided such reversals, in Provider's judgment, are not the result of willful or unreasonable dissipation of the Resident's assets. In the event of such circumstances, Provider will give careful consideration to subsidizing the fees and charges payable by the Resident so long as such subsidy can be made without impairing the ability of Provider to operate on a sound financial basis. Any determination by Provider with regard to the granting of financial assistance shall be within the sole discretion of Provider.

IX. **GENERAL**

- A. **Assignment.** The rights and privileges of the Resident under this Agreement to the Residence, common areas, and amenities, and services, and programs of The Village are personal to the Resident and may not be transferred or assigned by the Resident or otherwise.
- B. **Management of The Village at Brookwood.** The absolute rights of management are reserved by Provider, its Board of Directors, and its administration as delegated by said Board of Directors. Provider reserves the right to accept or reject any person for residency. Residents do not have the right to determine admission or terms of admission of any other Resident.
- C. **Entire Agreement.** This Agreement constitutes the entire agreement between Provider and the Resident. Provider shall not be liable or bound in any manner by any statements, representations, or promises made by any person representing or assuming to represent Provider, unless such statements, representations, or promises are set forth in this Agreement.

- D. Successors and Assigns.** Except as set forth herein, this Agreement shall bind and inure to the benefit of the successors and assigns of The Village and the heirs, executors, administrators, and assigns of the Resident.
- G. Power of Attorney, Will, Living Will, and Health Care Power of Attorney.** The Resident is encouraged to execute a general power of attorney designating some competent person as attorney-in-fact. The Resident is also encouraged to execute a will, Living Will and Health Care Power of Attorney. The Resident shall provide The Village with copies of Power of Attorney, Living Will, and Health Care Power of Attorney, as well as the location of the Will, prior to occupancy.
- F. Transfer of Property.** The Resident agrees not to make any gift or other transfer of property for less than adequate consideration for the purpose of evading the Resident's obligations under this Agreement or if such gift or transfer would render such Resident unable to meet such obligations.
- G. Governing Law.** This Agreement shall be governed by the laws of the State of North Carolina.
- H. Acknowledgement of Receipt of Disclosure Statement.** The Resident acknowledges that a copy of the current Disclosure Statement for The Village at Brookwood has been given to the Resident in accordance with Article 64 of Chapter 58 of the North Carolina General Statutes.
- I. Third Party Injuries and Claims.** Provider is not required to provide any medical, surgical, nursing or other care for the Resident when the Resident is injured as a result of the fault or negligence of a third party or parties. The Resident shall promptly notify Provider of any such injury. In the event that Provider provides such care as can be furnished by its employees and facilities, the Resident hereby assigns to Provider any compensation that the Resident may recover from such third party or parties to the extent necessary to reimburse Provider for the cost of such care furnished by Provider. The Resident or his legal representative shall have the duty to pursue diligently any and all proper claims for compensation due from a third party or parties for injury to the Resident and to cooperate with Provider in collecting such compensation and reimbursing Provider for the cost of all such care provided the Resident.
- J. Affiliations of the Provider.** The Village at Brookwood is not affiliated with any religious or charitable provider other than its owner, ARMC Health Care whose other wholly owned subsidiaries include Alamance Regional Medical Center, ARMC Physicians Care, Inc., and ARMC Foundation, Inc. All financial and contractual obligations of The Village at Brookwood will be the sole responsibility of The Village; the owner will not be responsible for any of these obligations.

K. Notice Provisions. Any notices, consents, or other communications to The Village hereunder (collectively "notices") shall be in writing and addressed as follows:

Executive Director
The Village at Brookwood
1860 Brookwood Avenue
Burlington, North Carolina 27215

The address of the Resident for the purpose of giving notice is the address appearing after the signature of the Resident below.

IN WITNESS WHEREOF, The Provider has executed this Agreement and Resident has read and understands this Agreement and has executed this Agreement and the Ten Percent (10%) Deposit has been paid as of the day and year above written.

Witness

Resident

Witness

Resident

Current Address (Number and Street)

City, State, Zip Code

Telephone

Date

THE VILLAGE AT BROOKWOOD

Signature

Title

Date