Notice of Proposed Transaction and Request for Consent under Corporations Code Section 5914 by:

Bethel Lutheran Home, Inc.,

A California religious corporation

In Connection with an AGREEMENT FOR PURCHASE AND SALE TO

2280 Dockery Holdings, LLC, a California Limited Liability Company ("DOCKERY") an affiliate of Jericho Care Group ("JERICHO");

Prepared for the Office of the Attorney General California Department of Justice

Healthcare Rights and Access

July 16, 2025

Title 11, California Code of Regulations, § 999.5(d)(1)(A)

A full description of the proposed agreement and transaction

Bethel Lutheran Home, Inc., a California non-profit religious corporation, ("BETHEL" or "Applicant"), submits this Notice to the California Attorney General under California Corporations Code Section 5920 in accordance with the requirements of Section 999.5(a).

The Parties

The proposed transaction involves the sale of Applicant's assets to 2280 Dockery Holdings, LLC, a California Limited Liability Company ("DOCKERY) which is an affiliate of the Jericho Care Group ("JERICHO"). JERICHO is the fictitious business name of Bayshire Central Valley LLC, a California limited liability company.

BETHEL

Organized in 1928, Applicant in its current form is a non-profit religious corporation. Applicant is affiliated with the Social Ministry Organization of the Sierra Pacific Synod of the Evangelical Lutheran Church of America ("ELCA"). Applicant does not require the approval of ELCA to enter into the contemplated transaction.

Applicant owns and operates a multi-level senior living facility located at 2280 Dockery and 1250 Rorden Avenue, Selma, California, which consists of a licensed skilled nursing facility (59 beds), an assisted living facility (33 suites), and an independent living facility (36 private cottages) on one campus located in Selma, CA.

JERICHO

JERICHO has formed Bethel Skilled Care, LLC, to assume operations of the skilled nursing facility that is part of the multi-level senior living facility described above.

DOCKERY

DOCKERY was formed by the filings of its Articles of Organization on April 8, 2025, and is an affiliate of JERICHO. DOCKERY will take title to the real property upon which the skilled nursing facility is located.

PURCHASE AND SALE

The AGREEMENT FOR PURCHASE AND SALE (the "Agreement") entered into between the parties dated May 12, 2025, as subsequently amended governs the terms of the transaction. A copy of the Agreement is attached as Exhibit 1 to § 999.5(d)(1)(B). The Agreement is structured as a "Cash Free, Debt Free" asset purchase agreement whereby the Applicant retains the cash on hand at close and the transferee does not assume liabilities existing for periods prior to the close except for a narrowly defined class of liabilities. The Agreement was amended on June 10, 2025, to segregate the sale of the independent living component

from the skilled nursing and assisted living component. A copy of the First Amendment to the Agreement for Purchase and Sale is attached as Exhibit 2 to § 999.5(d)(1)(B). On June 16, 2025, Central Valley LLC assigned and DOCKERY assumed the Agreement. A copy of the Assignment and Assumption of Agreement is attached as Exhibit 3 to § 999.5(d)(1)(B). The Agreement was further amended on July 8, 2025, to provide in pertinent part to confirm the assignment of the agreement, provide for the terms for offering employment to the employees, and to provide lending. A copy of the Second Amendment to the Agreement for Purchase and Sale is attached as Exhibit 4 to § 999.5(d)(1)(B).

The purchase price is $8,000,000 for the three components combined, less a defined class of liabilities. There are 3 non-refundable deposits in the sum of $75,000 each to be paid to Seller and applied to the purchase price during a due diligence period. The initial due diligence period expired on June 2, 2025. The second due diligence period expired on June 23, 2025. A holdback provision requires the sum of $175,000 be retained in escrow for a period of one year to ensure compliance with the Seller's representations.

Separately, Bethel Skilled Care, LLC, will apply for and obtain the necessary licenses and regulatory approvals to maintain the skilled nursing and assisted living facilities and continue to serve Medicare and Medi-Cal residents.

Upon the close of the second due diligence period, Bethel Skilled Care, LLC, issued (or will issue) notices to the applicable regulatory agencies advising them of the sale. BETHEL has notified residents and employees of the sale.

Employees

At closing, Bethel Skilled Care, LLC, will make a written offer of employment to all employees on terms consistent with their current wages and benefits for a period of not less than 60 days.

Conditions to Closing

Conditions to the Closing of the Agreement include the following:

1. Prior to Closing, Applicant shall have obtained the written consent of the Attorney-General to the Agreement pursuant to California Corporations Code section 5920(a), or the Attorney General shall have given Applicant a written waiver as to the Agreement pursuant to California Corporations Code section 5920(c).

2. The parties shall have applied for and received such approvals as may be necessary for the consummation of the Agreement from the California Department of Social Services, the California Department of Public Health, and any other government agency or private party whose approval or consent is necessary as a matter of law or contract for the consummation of the Agreement.

On July 9, 2025, the Parties entered into a Revolving Loan Agreement secured by a Deed of Trust setting out the terms and security for the borrowing of funds by BETHEL. Attached hereto as Exhibits 5 and 6 to § 999.5(d)(1)(B) are the Revolving Loan Agreement and Deed of Trust. Also on July 9, 2025, the Parties entered into a Consulting Agreement for the provision of services to BETHEL prior to close. Attached hereto as Exhibit 7 to § 999.5(d)(1)(B) is the Consulting Agreement.

It is contemplated that DOCKERY will enter into an arrangement with Bethel Skilled Care LLC, an entity related to JERICHO, to provide certain care and services.

Title 11, California Code of Regulations, § 999.5(d)(1)(B)

Complete copy of all written agreements to be entered into by Applicant and the transferee that relate to or effectuate any part of the proposed transaction.

Attached hereto as Exhibit 1 is the Agreement for Purchase and Sale dated May 12, 2025.

Attached hereto as Exhibit 2 is the First Amendment to the Agreement for Purchase and Sale dated June 10, 2025.

Attached hereto as Exhibit 3 is the Assignment and Assumption of the Purchase Sale dated June 16, 2025.

Attached hereto as Exhibit 4 is the Second Amendment to the Agreement for Purchase and Sale dated July 8, 2025.

Attached hereto as Exhibit 5 is the Revolving Loan Agreement dated July 8, 2025.

Attached hereto as Exhibit 6 is the Deed of Trust and Assignment of Rents dated July 8, 2025.

Attached hereto as Exhibit 7 is the Consulting Agreement dated July 8, 2025.

EXHIBIT 1

to

Section §999.5(d)(1)(B)

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AGREEMENT FOR PURCHASE AND SALE

This Agreement for Purchase and Sale (the "**Agreement**") is made and entered into as of May 12, 2025 (the "**Effective Date**") by and between Bayshire Central Valley LLC, a California limited liability company d/b/a Jericho Care Group ("**Buyer**") and its permitted assignees and designees, and Bethel Lutheran Home, Inc., a California non-profit corporation ("**Seller**").

NOW, THEREFORE, for good and valuable consideration, including the payment of One Hundred Dollars ($100.00) by Buyer to Seller (the "**Nonrefundable Consideration**"), which is independent nonrefundable consideration to Seller with respect to the rights provided to Buyer under this Agreement, the receipt and adequacy of which are acknowledged, Buyer and Seller agree as follows:

ARTICLE I

PURCHASE AND SALE

1.1 Purchase and Sale. For good and valuable consideration, the receipt and adequacy of which are hereby acknowledged, and subject to the terms, provisions, covenants and conditions herein contained, Seller agrees to sell, and Buyer agrees to buy, the adult congregate living business (the "**Business**") conducted at that certain independent living, residential care facility for the elderly ("**RCFE**") and skilled nursing facility ("**SNF**") commonly known as Bethel Lutheran Home and located at 2280 Dockery and 1250 Rorden Avenue, Selma, California, (APNs 389-320-29 and 389-320-33) (the "**Community**").

1.2 Description of Assets. Buyer agrees to purchase and Seller agrees to sell all of the assets ("**Assets**") of the Community. The Assets consist of the following:

1.2.1 All of Seller's right, title and interest to the real property having the legal descriptions set forth on Schedule 1.2.1 to this Agreement, and in the Community, including without limitation, all improvements, fixtures, leases, rights, privileges, easements, development rights, land use entitlements, licenses, permits, approvals, certificates, utilities, air rights, water rights, rights of way, warranties and guarantees existing or obtained in connection with the Community, and all other appurtenances of any kind in connection with the beneficial use and enjoyment of the real property thereon (the "**Property**").

1.2.2 All of Seller's right, title and interest in any intangible property rights pertaining to the Community, including proprietary architectural and building plans, operational materials and methods, trade secrets, trade names, the service mark "Bethel Home," any associated logos, any and all attendant state and/or federal service mark registrations, web sites, telephone numbers, facsimile numbers, and the goodwill and going concern of the Business (collectively, the "**Intangible Property**").

1.2.3 All of Seller's personal property at the Community, including without limitation, furniture and furnishings, equipment, vehicles (free and clear of any financing or leasing arrangements), and inventory used at the Community (collectively, the "**Personal Property**").

1.2.4 All architectural, engineering and other plans and specifications for the Community, and all soils studies, engineering reports, environmental reports, surveys, title reports and other similar material relating to or otherwise pertaining to the Community and the Property (collectively, the "**Project Materials**").

1.3 Excluded Assets. As of the Closing Date (as defined below), the following assets are excluded from this sale (the **"Excluded Assets"**):

1.3.1 All account balances at banks or other financial institutions, cash, cash equivalents, securities, prepaid expenses, deferred charges, prepaid accounts, advance payments, utility deposits, prepaid insurance premiums, all insurance policies, tax refunds, financial books and records of Seller, and corporate books and records of Seller are expressly excluded from this sale.

1.3.2 All rights, claims and credits of Seller to the extent relating to any liability.

1.3.3 All legal, equitable, and administrative claims that Seller may have against third parties.

1.3.4 The personal property described on Schedule 1.3.4 hereto.

1.4 Allocation of Liabilities. Seller shall be responsible for all claims and liabilities of Seller and/or the Community existing as of the Closing Date including any pre-Closing accrued vacation, bonuses or other benefits as provided in Section 7.2 below, except that Buyer shall pay, perform, and discharge when due all of the following liabilities, obligations and commitments of Seller as of the Closing Date (the **"Assumed Obligations"**): all obligations, if any, with respect to Security deposits held by Seller (subject to rights of credit and/or set-off on the Closing Statements (as defined below) as provided for in Section 6.2.3 hereof). Buyer is not assuming and shall not be deemed to have assumed any such claims and liabilities relating to periods prior to the Closing (except for the Assumed Obligations).

ARTICLE II

PURCHASE PRICE

2.1 Amount; Allocation. The total purchase price ("**Purchase Price**") to be paid by Buyer to Seller for the Assets shall be the sum of Eight Million Dollars ($8,000,000.00) less the amount of the Assumed Obligations, subject to any additional proration adjustment contemplated in Section 6.2.3 hereof. Buyer and Seller agree to allocate the Purchase Price as follows: Property: $6,000,000, Goodwill: $1,750,000 and Personal Property: $250,000. Neither Buyer nor Seller will take any position that is inconsistent with such mutually agreed to allocations without the prior consent of the other party. The parties shall in good faith exercise reasonable efforts to support such reported allocations in any audit initiated by any taxing authority. The provisions of this Section 2.1 shall survive the Closing.

2.2 Deposit. All Deposits shall be held by Title Company in an interest bearing account with all accrued interest for the benefit of Buyer. Within three (3) business days after the Effective Date, Buyer will deposit into an escrow ("**Escrow**") opened with Old Republic Title Company ("**Escrow Holder**" or "**Title Company**"), the amount of Seventy-Five Thousand Dollars ($75,000.00) (the "**Initial Deposit**"). On the expiration of the **Initial Due Diligence Contingency Period** (as defined below), the **Initial Deposit** plus accrued interest shall become non-refundable and shall be remitted to Seller and applied toward payment of the **Purchase Price**. Within three (3) business days after the expiration of the **Initial Due Diligence Contingency Period** (as defined below), Buyer will deposit into escrow the additional amount of Seventy-Five Thousand Dollars ($75,000.00) (the "**Second Deposit**") which is non-refundable and shall be remitted to Seller and applied toward payment of the Purchase Price. Within three (3) business days after the expiration of the **Second Due Diligence Contingency Period** (as defined below), Buyer will deposit into escrow the additional amount of Seventy-Five Thousand Dollars ($75,000.00) (the "**Third Deposit**") which is non-refundable and shall be remitted to Seller and applied toward payment of the Purchase Price.

2.3 Payment of Balance. The balance of the Purchase Price shall be paid by Buyer to Seller in immediately available funds at the Closing.

2.4 Sales and Transfer Taxes; Premiums; Closing Costs. Seller shall be responsible for paying (i) all state documentary stamp taxes, and other state, county, or local transfer taxes attributable to the transfer of the Community and the Property pursuant to this Agreement, (ii) for the standard premium cost for the California Land Title Association owner's policy of title insurance in the full amount of the Purchase Price insuring Buyer's title to the Property and the Community ("**Title Policy**"), subject only to the Permitted Exceptions (as defined below), and (iii) any sales or use taxes attributable to the transfer of the Intangible Property being acquired pursuant to this Agreement. Buyer shall be responsible for (i) any premium for the mortgagee's title insurance policy(ies), the additional premium for an ALTA owner's title insurance policy if elected by Buyer, and all title policy endorsements. The parties shall be equally responsible for the escrow fee charged by Title Company. All other closing costs shall be allocated in accordance with custom in Fresno County, California. Seller shall pay any unpaid quality assurance fees ("**QA Fees**") owed for the SNF portion of the Community on or prior to the Closing Date (including any estimated amounts not yet billed by the applicable governmental entity with respect to periods of operations prior to the Closing Date, and Seller shall provide proof of same to Buyer prior to the Closing Date. In the event any portion of the QA Fees remain unpaid as of the Closing Date, Seller shall escrow 100% of the amount owed which amount may be used by Buyer to pay any QA Fees due as of the Closing Date.

2.5 Seller Breach. In the event Buyer has the right to terminate this Agreement hereunder due to a breach of this Agreement by Seller, Buyer shall have the right either to (i) waive the condition or covenant or breach at issue and proceed with the transaction on the terms contemplated herein, or (ii) seek specific performance of Seller's obligations hereunder, or (iii) terminate this Agreement and secure the return of the Deposit and any accrued interest thereon.

2.6 Liquidated Damages. THE PARTIES AGREE THAT IT WOULD BE IMPRACTICAL OR EXTREMELY DIFFICULT TO FIX, PRIOR TO SIGNING THIS AGREEMENT, THE ACTUAL DAMAGES WHICH WOULD BE SUFFERED BY SELLER IF BUYER FAILS TO PERFORM ITS OBLIGATIONS UNDER THIS AGREEMENT. THEREFORE, NOTWITHSTANDING ANYTHING TO THE CONTRARY SET FORTH IN THIS AGREEMENT, IF AT ANY TIME BUYER MATERIALLY BREACHES THIS AGREEMENT, AND BUYER HAS NOT CURED SUCH BREACH WITHIN TEN (10) BUSINESS DAYS FOLLOWING BUYER'S RECEIPT OF NOTICE FROM SELLER, SELLER SHALL BE ENTITLED TO LIQUIDATED DAMAGES UPON SELLER'S TERMINATION OF THE AGREEMENT DUE TO SUCH BREACH IN THE AMOUNT OF $150,000 AS SELLER'S SOLE AND EXCLUSIVE REMEDY. UPON PAYMENT OF SAID SUM TO SELLER, BUYER SHALL BE RELEASED FROM ANY FURTHER LIABILITY TO SELLER, AND ANY ESCROW CANCELLATION FEES OR OTHER TITLE COMPANY CHARGES SHALL BE PAID EQUALLY BY THE PARTIES.

BUYER: _____ (initial) SELLER: DS _____ (initial)

ARTICLE III

BUYER'S INSPECTIONS

3.1 Due Diligence Contingency Period. The "**Initial Due Diligence Contingency Period**" as used herein means the period commencing on the Effective Date of this Agreement, and expiring on the Initial Due Diligence Deadline. The "**Initial Due Diligence Deadline**" as used herein shall mean the date which is twenty-one (21) days after the Effective Date. Buyer shall conduct its due diligence investigation of the Assets during the Initial Due Diligence Contingency Period. The "**Second Due Diligence Contingency Period**" as used herein means the period commencing on the Initial Due Diligence Deadline, and expiring on the Second Due Diligence Deadline. The "**Second Due Diligence Deadline**" as used herein shall mean the date which is twenty-one (21) days after the Initial Due Diligence Deadline. Buyer shall endeavor to obtain a loan commitment and appraisal during the Second Due Diligence Contingency Period. Seller and Buyer agree that prior to the Second Due Diligence Deadline, Seller will not solicit, offer, discuss, accept or permit any representative or agent to solicit, offer, discuss or accept from any person or entity the sale of all or any portion of the Assets. In the event Buyer elects to proceed to Closing on or before the Second Due Diligence Deadline, Seller shall continue to provide Buyer will reasonable access to the Property through the Closing Date.

3.2 Due Diligence. During the Initial Due Diligence Contingency Period, Buyer shall have the opportunity, at reasonable times and following receipt by Seller of reasonable written notice from Buyer, to conduct any and all necessary and appropriate due diligence related to the Business, the Community, the Property and the Assets, and Seller shall reasonably cooperate with Buyer in this effort as further provided below.

3.3 Due Diligence Materials. To the extent not previously delivered to Buyer, Seller shall deliver to Buyer the due diligence materials specified in Schedule 3.3 within five (5) business days of the Effective Date, and shall also deliver to Buyer within five (5) days of Buyer's request therefor all other information and materials in Seller's possession regarding the Property as reasonably requested by Buyer.

(a) **Condition of Title**. As of the Closing, Seller shall be able to deliver good, marketable and insurable fee simple title to the Property and Community, free and clear of all liens and encumbrances except for: (a) real property taxes not yet due; (b) the lien of supplementary taxes; (c) any existing leases approved by Buyer in writing, if any; (d) easements, restrictions and rights of way and other exceptions shown in the preliminary title reports approved in writing by Buyer; and (e) exceptions shown by a survey approved by Buyer (collectively, "**Permitted Exceptions**"). Seller shall arrange for and obtain from Title Company a preliminary title report (and copies of underlying exceptions referenced in such reports) ("**Title Report**") for each parcel of the Property. Buyer shall have from the Effective Date until the date that is seven (7) days prior to the Initial Due Diligence Deadline to approve or disapprove in writing the Title Report and any survey ("**Survey**") with respect to the Property, with any such notice of disapproval specifying the exception documents or other matters to which the Buyer objects. The failure of Buyer to disapprove any lien or other matter reflected in the Title Report prior to the Initial Due Diligence Deadline shall be deemed approved by the Buyer. All monetary liens on the Property (other than for taxes not yet due and payable) shall be removed by Seller, at its sole cost and expense, at or prior to the Closing. If Buyer disapproves any lien or other matter reflected in the Title Report, Seller shall have three (3) business days from the date of such disapproval in which to advise Buyer whether or not it is prepared to cure the same prior to the Closing (which cure may be effected by payment and discharge of the objectionable item or by causing the Title Company to remove the same as an exception or affirmatively insure over such item) and in the event Seller shall fail or refuse to do so within said three (3) business day period, Buyer shall have three (3) business days thereafter in which to advise Seller in writing of Buyer's election (x) to waive the matters to which Buyer objected and which Seller is not prepared to cure and to proceed to Closing, or (y) terminate this Agreement in full, in which event the Deposit, plus all accrued interest thereon, shall be returned to Buyer.

If, after the Title Review Period, the Title Company issues any amendment, supplement or modification to the Title Report (each a, "**Supplemental Commitment**") with respect to the Property showing a new lien or encumbrance against such Property that (a) was not listed in the Title Report or any prior Supplemental Commitment, and (b) was not created, directly or indirectly, by the actions of Buyer (each a "**New Title Matter**"), then Buyer may object to such New Title Matter by delivering written notice to Seller within five (5) days after Buyer's receipt of such Supplemental Commitment. If Buyer fails to so notify Seller in writing, then the New Title Matter shall be deemed a Permitted Exception. Seller shall have until five (5) days from receipt of Buyer's notice to notify Buyer whether Seller will, in Seller's sole discretion (except for any voluntary monetary liens securing financings created by Seller, which Seller covenants to cause to be removed at the Closing), cause the New Title Matter to be removed at or before the Closing. If Seller fails to so notify the Buyer, Seller shall be deemed to have declined to remove the New Title Matter. If Seller declines or is deemed to have declined to remove a New Title Matter, then Buyer shall have five (5) days following the date that Seller declines, or is deemed to have declined, to remove the New Title Matter ("**Termination Deadline**") in which to advise in

writing of Buyer's election (x) to waive the matters to which Buyer objected and which Property Seller is not prepared to cure and to proceed to Closing or (y) terminate this Agreement in full, in which event the Deposit, plus all accrued interest thereon, shall be returned to Buyer. If Buyer does not terminate this Agreement pursuant to the preceding sentence on or before the Termination Deadline, then the New Title Matter shall be deemed a Permitted Exception. The Closing Date shall be extended, if necessary, to accommodate the foregoing time periods.

3.4 Buyer's Investigation. At any time during the Initial Due Diligence Contingency Period, Buyer, and its agents and representatives, shall have the right at reasonable times and following receipt by Seller of reasonable notice from Buyer, to enter upon the Community for purposes of conducting its due diligence investigation of the Business, the Property, the Assets and the Community, including commercially reasonable and customary inspections and tests of the Community and the Property. All such inspections and tests and any other work conducted or materials furnished with respect to the Property and the Assets by or for Buyer shall be conducted in a commercially reasonable manner with minimal disruption to the operations of the Community or the quiet enjoyment thereof by its residents, and shall be paid for by Buyer as and when due. Buyer shall indemnify, defend, protect and hold Seller harmless from any and all claims, liabilities, losses, expenses (including reasonable attorneys' fees), damages, including those for injury to person or to the Property, arising out of or relating to Buyer's due diligence activities (except for any pre-existing conditions). Prior to undertaking any inspections of the Property, Buyer will obtain commercial general liability insurance in an amount of not less than One Million Dollars ($1,000,000.00) each occurrence and Two Million Dollars ($2,000,000.00) aggregate limit, in each case which names Seller as an additional insured thereunder. Buyer shall indemnify, defend and hold Seller harmless of and from any and all losses, liabilities, costs, expenses arising from or relating to Buyer entering on the Property to test, study, investigate or inspect the same or any part thereof (except for the discovery of any pre-existing conditions). The foregoing obligations and agreements of Buyer under this Section 3.4 (including its indemnification obligations) shall expressly survive Closing or the earlier termination of this Agreement. Seller agrees to provide Buyer with access to meet all supervisory employees during Initial Due Diligence Contingency Period. Such meetings shall be conducted with prior notice to and upon Seller's election, in the presence of Seller. After the Initial Due Diligence Contingency Period through the Closing Date Buyer shall have access to all other employees of the Community.

3.5 Termination of Agreement. If, based upon its review, Buyer decides, in its sole discretion, not to proceed to purchase the Assets during the Initial Due Diligence Contingency Period, then Buyer shall give written notice of termination to Seller and the Escrow Holder prior to the Initial Due Diligence Deadline, in which case this Agreement shall terminate. Neither party shall have any further rights or obligations pursuant to this Agreement, except those that survive the termination of this Agreement as expressly stated herein. In the event Buyer fails to provide notice of such election, Buyer shall be deemed to have elected to terminate this Agreement. In the event Buyer elects in writing to proceed with the Second Due Diligence Contingency Period, then Buyer shall be deemed to have waived its due diligence investigation of the Property. In the event Buyer decides, in its sole discretion, not to proceed to purchase the Assets during the Second Due Diligence Contingency Period, then Buyer shall give written notice of termination to Seller and the Escrow Holder prior to the Second Due Diligence Deadline, in which case this Agreement shall terminate. Neither party shall have any further rights or obligations pursuant to this Agreement, except those that survive the termination of this Agreement as expressly stated herein.

In the event Buyer fails to provide notice of such election, Buyer shall be deemed to have elected to terminate this Agreement. If this Agreement is terminated pursuant to this Section 3.5, the cost for cancellation of Escrow and all Title Company costs shall be split equally by the parties.

ARTICLE IV

REPRESENTATIONS OF SELLER

4.1 General Matters. The representations and warranties set forth in this Article IV are made for the benefit of Buyer and its permitted successors and assigns as of the Effective Date and shall be true in all material respects as of the Closing Date and shall be subject to the provisions of this Section 4.1. Such representations and warranties shall survive the Closing for a period of one (1) year ("**Survival Period**"). Seller acknowledges that all of the representations and warranties are material and have been relied upon by Buyer in all respects in entering into this Agreement.

4.2 Organization. Seller is a duly organized and validly existing non-profit corporation that is in good standing under the laws of the State of California. The performance under this Agreement by Seller: is within its corporate powers; has been fully authorized by all requisite action; and will not conflict with, or result in a breach of, any terms, covenants and provisions of its articles of incorporation or bylaws as any of the same may have been amended, any agreement or instrument to which it is a party or by which it is bound, or any permit or any governmental regulation, order, judgment, writ, injunction or decree of any court or governmental authority. The person(s) executing this Agreement on behalf of Seller has the authority to do so, without any further required approval from any other person or entity.

4.3 Ownership. Seller is the sole owner of the Assets and all rights appurtenant thereto of the Community, and the signature of no other party is required to convey any of such interests and rights, and Seller knows of no right, claim or interest of any other person or entity in the Community or the Assets. No other person owns an option or right of first refusal to purchase the Assets.

4.4 Financial Statements. Attached hereto as Schedule 4.4 are the following financial statements (collectively, the "**Financial Statements**"):

(a) Seller's unaudited annual financial statements, including balance sheets and the related statements of income and cash flow as of December 31, 2022, December 31, 2023, and December 31, 2024;

(b) Seller's unaudited financial statements, including balance sheets and the related statements of income and cash flow balance sheet of Seller as of the last day of the last full month prior to the Effective Date; and

(c) Seller's unaudited balance sheet as of the Effective Date.

Seller's Financial Statements are true, correct and complete and fairly present the financial condition and results of operations of Seller with respect to the Community as of the dates and for the periods indicated and have been prepared on a consistent basis with prior practices. There is

no material liability or obligation of Seller, whether absolute, contingent or otherwise as of the respective dates of the Financial Statements that is not reflected therein. Seller will continue to provide monthly Financial Statements to Buyer during the term of this Agreement, to be provided within fifteen (15) days after the end of a month for the prior month.

4.5 Absence of Certain Changes. Except as set forth on Schedule 4.5 attached hereto, since the date of the Financial Statements provided for in Section 4.4 hereof, Seller has not suffered any material adverse effect in its financial condition, assets, liabilities or business.

4.6 Title; Leased Assets. Except for leased items and other matters set forth in Schedule 4.6 hereto, including, without limitation, real estate taxes not yet due and payable, Seller owns the Assets, free and clear of all liens, liabilities, claims, and encumbrances. Schedule 4.6 also contains a listing of which Assets are leased.

4.7 Operating Contracts. A true and correct list of the Operating Contracts (as defined below) for the Property is attached hereto as Schedule 4.7, and copies of all written operating contracts and equipment leases to which Seller is a party in connection with the ownership and/or operation of the Community (collectively, the "**Operating Contracts**") have been or will be provided to Buyer by Seller. Each of the Operating Contracts is in full force and effect and none of the Operating Contracts has been modified or amended. Seller has no notice or knowledge that it or the Community is in default of any obligations under the Operating Contracts nor is Seller aware of any default or any action which, with the passage of time or the giving of notice or both would constitute a default, under the Operating Contracts by any other party thereto.

4.8 Taxes. All tax returns and reports required by law to be filed by Seller relating to the ownership and operation of the Community prior to the Closing Date (collectively, "**Tax Returns**") have been or will be properly and timely filed (subject to the right to extend or delay the filing thereof) and do, or at the time of the filing thereof will, correctly reflect the tax position of Seller and all taxes due under such Tax Returns have been or will be timely objected to, disputed and/or paid.

4.9 Consents; Binding Agreement. Without regard to licensing consents or approvals that may be required by Buyer to operate the Business after Closing, no authorization, consent, approval, permit or license of, or filing with, any governmental or public body or authority, any lender or lessor or any other person or entity is required (i) to authorize, or is required in connection with, the execution, delivery and performance of this Agreement or the agreements contemplated hereby on the part of Seller or (ii) in connection with the transfer of any purchased Assets from Seller to Buyer. This Agreement constitutes the legal, valid and binding obligation of Seller, enforceable in accordance with its terms.

4.10 Claims and Proceedings. Schedule 4.10 is a complete and accurate list and description of all claims, actions, suits, proceedings and investigations currently pending or, to Seller's knowledge, threatened against or affecting Seller or the Assets (including without limitation any claims, actions, suits, etc. involving Seller's licensure to operate its Community), at law or in equity, or before or by any court, municipal or other governmental department, commission, board, agency or instrumentality. Except as set forth in Schedule 4.10, Seller has not been, and is not now, subject to any order, judgment, decree, stipulation or consent of any court,

governmental body or agency that has any effect on the continuing operation of the Community. No inquiry, action or proceeding has been asserted, instituted or, to Seller's knowledge, threatened to restrain or prohibit the carrying out of the transactions contemplated by this Agreement or to challenge the validity of such transactions or any part thereof or seeking damages on account thereof. To Seller's knowledge, there is no basis for any claim or action related to the Assets or the Community. Seller will immediately disclose any new claims, actions, suits, proceedings and investigations to Buyer prior to Closing.

4.11 Employees.

4.11.1 Set forth in Schedule 4.11 hereto is a complete, accurate and current list of all employees of Seller who work at the Community, together with their dates of hire, positions and their annual salaries and other compensation. Except as set forth in Schedule 4.11, Seller has not granted or become obligated to grant any increases in the wages or salary of, or paid or become obligated to pay any bonus or made or become obligated to make any similar payment to or grant any benefit to or on behalf of, any officer, employee or agent of Seller and for which Buyer would be liable. Seller has no direct or indirect, express or implied, obligation to pay severance or termination pay to any officer or employee of Seller.

4.11.2 Except as set forth in Schedule 4.11 hereto, no currently effective written employment manual or written employment policy and/or procedures has been provided to or for employees, and no written or verbal employment, consultant or independent contractor agreement exists to which Seller may be bound and for which Buyer may be liable. Seller has delivered to Buyer accurate and complete copies of all such employment agreements, consulting agreements, confidentiality agreements and all other agreements, plans and other instruments to which Seller is a party and under which its employees or consultants are entitled to receive benefits of any nature. To Seller's knowledge or as may otherwise arise pursuant to the federal Worker Adjustment and Retraining Notification (WARN) Act ("**WARN Act**"), Seller is in compliance with all federal and state laws respecting employment and employment practices, terms and conditions of employment and wages and hours and is not engaged in, nor has it committed, any unfair labor practice as defined in the National Labor Relations Act of 1947, as amended.

4.11.3 No present or former employee of Seller has any claim against Seller (whether under federal, state or local law, any employment agreement, or otherwise) on account of or for (a) overtime pay, other than overtime pay for the then current payroll period, (b) wages or salary for any period other than the current payroll period, (c) vacation, time off or pay in lieu of vacation or time off, other than that earned in respect of the current fiscal year or accrued on Seller's books and records, or (d) any violation of any statute, ordinance or regulation relating to minimum wages or maximum hours of work.

4.11.4 To Seller's knowledge, no person or party (including, but not limited to, governmental agencies of any kind) has any claim, or basis for any action or proceeding, against Seller arising out of any statute, ordinance or regulation relating to discrimination in employment or employment practices or occupational safety and health standards, including without limitation any workers compensation claim or any claim under Title VII, ADEA or FMLA.

4.11.5 There are no unions or collective bargaining agreements in effect with respect to any employees of the Community, and no unionization or collective bargaining arrangement has been noticed or is pending.

4.12 ADA. Seller has not received notice from any individual, entity or federal, state, local governmental agency or official notifying it that Seller or any property or asset of Seller is in violation of, or in noncompliance with, the Americans with Disabilities Act (the "**ADA**").

4.13 Permits. Set forth in Schedule 4.13 hereto is a list of all material certifications, governmental licenses, permits, regulatory agreements or other agreements and approvals, including certificates of operation, completion and occupancy, and state residential care facility or skilled nursing licenses or other licenses required by Health Care Authorities (as defined below) for the legal use, occupancy and operation of the Community (collectively, the "**Permits**"). The Permits have been obtained by Seller, and are in full force and effect. Seller has not taken any action to rescind, withdraw, revoke, amend, modify, supplement or otherwise alter the nature, tenor or scope of any Permit or applicable provider payment program participation. Seller has not received written notice of any violation of any applicable provisions of the applicable laws, standards, policies, restrictions or rules of any Health Care Authority having jurisdiction over the ownership, use, occupancy or operation of the Community. For purposes of this Agreement, "Health Care Authority/ies" shall mean any governmental entity or quasi-governmental entity or any agency, intermediary, board, authority or entity with lawful jurisdiction over Seller. Seller is in compliance with the requirements for participation in the Medicare and Medi-Cal programs with respect to the SNF that currently participates in such programs and Seller has a current provider agreement under Title XVIII and/or XIX of the Social Security Act which is in full force and effect. Seller has not had any deficiencies with respect to the Community on its most recent surveys (standard or complaint) that is reasonably expected to result in a denial of payment for new admissions. The Community has not been designated as a Special Focus Facility or a candidate for Special Focus Facility (as such term is defined by the Centers for Medicare and Medicaid Services Special Focus Facility Program). Seller is not a participant in, or subject to any action, proceeding, suit, audit, investigation or sanction, nor to Seller's knowledge is Seller a target of any of the foregoing, by any Health Care Authority or any other administrative or investigative body or entity or any other third party payor or any resident (including whistleblower suits, or suits brought pursuant to federal or state False Claims Acts, and Medicare/Medi-Cal/State fraud/abuse laws) which may result, directly or indirectly or with the passage of time, in the imposition of a fine, penalty, alternative, interim or final sanction, a lower rate certification, recoupment, recovery, suspension or discontinuance of all or part of reimbursement from any Health Care Authority, third-party payor, insurance carrier or private payor, a lower reimbursement rate for services rendered to eligible residents, or any other civil or criminal remedy, nor has any such action, proceeding, suit, investigation or audit been threatened. There is no pending, or to Seller's knowledge, threatened revocation, suspension, termination, probation, restriction, limitation, or non-renewal affecting Seller, any contract or provider agreement with any third-party payor, Medicare or Medi-Cal. All Medicare, Medi-Cal, and private insurance cost reports and financial reports submitted by or on behalf of the Community are accurate and complete and have not been misleading. There are no current, outstanding, or to Seller's knowledge pending Medicare, Medi-Cal or other third-party payor programs reimbursement audits or appeals, (ii) there are no cost report years that are subject to audits, (iii) no cost reports remain "open" or unsettled, and (iv)

there are no current or pending Medicare, Medi-Cal or other third-party payor programs recoupment efforts, in each case with respect to the Community.

4.14 Compliance with Law. Seller has received no written notice that the Community and its operation and use are not now in compliance with all applicable municipal, county, state and federal laws, regulations, statutes, ordinances, standards and orders and all administrative rulings and with all health, building, land use, environmental and zoning laws and regulations, including, the rules and regulations of any governmental authority governing the licensure of RCFE and SNF facilities. Seller is the licensed operator of the RCFE and SNF. True and correct copies of the current RCFE and SNF licenses to operate the Community, the form of Resident Agreement in use at the Community and rent roll for the Community (the "**Rent Roll**") have been or will be provided to Buyer by Seller. The Rent Roll and any other financial information reasonably requested by Buyer shall be updated by Seller monthly, and immediately prior to the Closing Date.

4.15 Environmental Disclosure. The following terms shall have the following meanings:

4.15.1 "Applicable Environmental Laws" means all federal, state and local or municipal, statutory, regulatory and common law requirements relating to the protection of human health and safety or the environment, including, without limitation, the Comprehensive Environmental Response Compensation and Liability Act (42 U.S.C. § 9601 et seq.), the Resource Conservation and Recovery Act (42 U.S.C. § 6901 et seq.), the Clean Water Act (33 U.S.C. § 1251 et seq.), the Clean Air Act (42 U.S.C. § 7401 et seq.), the Toxic Substance Control Act (15 U.S.C. § 2601 et seq.), Federal Insecticide Fungicide Rodenticide Act (7 U.S.C. § 136 et seq.), Occupational Safety and Health Act (29 U.S.C. § 651 et seq.), and all applicable judicial, administrative, and regulatory decrees, judgments, and orders.

4.15.2 "**Hazardous Materials**" means any chemical substances, pollutants, contaminants, materials, industrial solid wastes or other wastes, or combinations thereof, whether solid, liquid or gaseous in nature which poses or may pose a hazard to the health or safety of persons or the environment or the presence of which may require investigation or remediation under any Applicable Environmental Laws, including, without limitation, material which is or becomes defined as a "**hazardous waste**" or "**hazardous substance**" under the Comprehensive Environmental Response Compensation and Liability Act (42 U.S.C. § 9601 et seq.) and/or the Resource Conservation and Recovery Act (42 U.S.C. § 6901 et seq.) or which contains gasoline, diesel fuel or other petroleum hydrocarbons, polychlorinated biphenyls (PCBs), asbestos, urea formaldehyde foam insulation, or radon gas.

4.15.3 Seller is and has been in compliance in all material respects with all Applicable Environmental Laws.

4.15.4 There has been no past or present spill, discharge, disposal or release of Hazardous Materials onto or from the Property, nor are any Hazardous Materials presently deposited, stored, or otherwise located on, under, in or about the Property or such other property (except in strict compliance with applicable laws), nor have any Hazardous Materials migrated from the Property.

4.15.5 Seller has not received any notice or other communication concerning any alleged violation of any Applicable Environmental Law, whether or not corrected to the satisfaction of the appropriate authority, or notice or other communication concerning alleged liability for any response costs or remedial action in connection with the Property. There exists no writ, injunction, decree, order, judgment, or lien outstanding, nor any lawsuit, claim, proceeding, citation, directive, summons or investigation, pending or, to Seller's knowledge, threatened, relating to: (i) any alleged violation of Applicable Environmental Law by Seller or (ii) the suspected presence of Hazardous Materials on the Property (other than those stored or utilized by Seller in the conduct of the business which storage and usage has been and is in conformity with applicable laws including but not limited to Applicable Environmental Laws).

4.15.6 No underground storage tanks are or have previously been located on the Property.

4.15.7 No Hazardous Materials, including, without limitation, asbestos-containing materials or PCB-containing materials, are installed, contained in building material, contained in transformers or other electrical equipment, or are otherwise present on the Property (other than those stored or utilized on the Property by Seller in the conduct of the Community which storage and usage has been and is in conformity with Applicable Environmental Laws).

4.15.8 Seller has provided Buyer with all environmental studies and reports in its possession or control by whomsoever conducted, all environmental records of Seller, and all documents of Seller concerning environmental conditions of the Property or other property occupied by Seller, or which identify underground tanks, or otherwise relate to actual or potential contamination of the soil or groundwater.

4.16 Business Relations with Suppliers. Seller has not received notice that any supplier of goods or services to Seller with respect to operation of the Community will cease or refuse to do business with Buyer after the consummation of the transactions contemplated hereby.

4.17 No Condemnation. The Community is not presently the subject of any condemnation or similar proceeding, and no such condemnation or similar proceeding is currently threatened or pending.

4.18 Foreign Status. Seller is not a "foreign person" as that term is defined in Section 1445(f)(3) of the Internal Revenue Code of 1986.

4.19 Bankruptcy. Seller (a) is not in receivership or dissolution; (b) has not made any assignment for the benefit of creditors; (c) has not admitted in writing its inability to pay its debts as they mature; (d) has not been adjudicated to bankruptcy; (e) has not filed a petition of voluntary bankruptcy, petition or answer seeking reorganization, or an arrangement with creditors under the federal bankruptcy law or any other similar law or statute of the United States or any state; or (f) does not have any such petition described in subparagraph (e) above filed against Seller.

4.20 Broker. Other than RC Commercial Ltd., Seller has not authorized any other broker or finder to act on its behalf in connection with the sale and purchase hereunder. Seller shall be solely responsible for payment to RC Commercial Ltd. of the brokerage fee payable at

Closing in the form of certified funds, bank check or wire transfer, plus any and all other brokerage fees owed in connection with this transaction.

4.21 Possessory Rights. Other than tenants occupying the Community in accordance with a valid lease with respect thereto, no one will have any rights to possession or operation of the Community at the Closing other than Buyer and, unless otherwise agreed in writing, Seller shall deliver possession of the Community and all keys thereto at the Closing.

4.22 Resident Admission Agreements and Records. The resident admission agreements made available to Buyer are and shall be true and correct copies of such documents as kept in the ordinary course of Seller's business, and to Seller's knowledge all such admission agreements are in full force and effect. Except as shown on the rent roll as kept in the ordinary course of Seller's business and except as shown on the resident admission agreements, to Seller's knowledge there are no free rent, operating expense abatements, incomplete tenant improvements, rebates, allowances, or other unexpired concessions or any termination, extension, cancellation or expansion rights under the resident admission agreements. Except as shown on the rent roll or other documents made available to or delivered to Buyer, no resident or resident representative has indicated to Seller either orally or in writing its intent to terminate his/her residency at the Community.

ARTICLE V

REPRESENTATIONS OF BUYER

5.1 Representations. Buyer represents to Seller the matters set forth below and states that these representations are true as of the Effective Date and shall be true, in all material respects, as of the Closing Date.

5.2 Organization. Buyer is a duly organized and validly existing limited liability company that is in good standing under the laws of the State of California. The performance under this Agreement by Buyer: is within its corporate powers; has been fully authorized by all requisite action; and will not conflict with, or result in a breach of, any terms, covenants and provisions of its articles of organization or operating agreement as any of the same may have been amended, any agreement or instrument to which it is a party or by which it is bound, or any permit or any governmental regulation, order, judgment, writ, injunction or decree of any court or governmental authority. The person(s) executing this Agreement on behalf of Buyer has the authority to do so, without any further required approval from any other person or entity.

5.3 Binding Obligation. This Agreement constitutes the legal, valid and binding obligation of Buyer enforceable in accordance with its terms.

5.4 Bankruptcy. Buyer (a) is not in receivership or dissolution; (b) has not made any assignment for the benefit of creditors; (c) has not admitted in writing its inability to pay its debts as they mature; (d) has not been adjudicated a bankrupt; (e) has not filed a petition of voluntary bankruptcy, petition or answer seeking reorganization, or an arrangement with creditors under the federal bankruptcy law or any other similar law or statute of the United States or any state; or (f) does not have any such petition described in subparagraph (e) above filed against Buyer.

5.5 No Broker. Buyer has not authorized any broker or finder to act on its behalf in connection with the sale and purchase hereunder.

5.6 "AS IS" Sale. Buyer acknowledges that it is acquiring the Property "AS IS" and "WITH ALL FAULTS", without representation by Seller or its representatives as to any matter, except for the specific written representations, warranties and covenants set forth in this Agreement. Buyer disclaims any express or implied warranties other than specific written representations, warranties and covenants set forth in this Agreement, including without limitation the implied warranties of merchantability or fitness for a particular purpose.

ARTICLE VI

ESCROW; CLOSING

6.1 Escrow. An executed copy of this Agreement shall be deposited in the Escrow and the provisions hereof shall constitute joint primary escrow instructions to the Escrow Holder; provided, however, that the parties shall execute such additional instructions as requested by the Escrow Holder not inconsistent with the provisions hereof. Upon request of either or all of the parties hereto, Escrow Holder shall deliver written confirmation of the date of the opening of Escrow to the parties to this Agreement.

6.2 Documents and Funds Delivered at Closing. The following shall be delivered at Closing:

6.2.1 Seller's Delivery. On or prior to the Closing Date, Seller shall deliver to Buyer or the Title Company, as applicable:

(i) a duly executed grant deed (the "**Grant Deed**"), with any necessary documentary state stamps affixed thereto, conveying marketable, insurable fee simple title to the Community to Buyer free and clear of all liens and encumbrances other than the Permitted Exceptions;

(ii) a bill of sale assigning to Buyer Seller's entire interest in the Intangible Property, Personal Property and Project Materials;

(iii) an assignment and assumption agreement duly executed by Seller with respect to the Assumed Operating Contracts (as defined below) and the residency agreements ("**Assignment and Assumption Agreement**");

(iv) an Escrow Holdback Agreement (as defined below) executed by Seller;

(v) a Management and Operations Transfer Agreement (the "**MOTA**") and all exhibits thereto, and in the event Buyer has not obtained the CHOW approval for the RCFE portion of the Community, the Leaseback Documents (as defined below) for the RCFE portion of the Community, executed by Seller in the forms to be agreed upon by the Parties prior to the Initial Due Diligence Deadline;

(vi) an Operations Transfer Agreement (the "**OTA**") for the SNF (as defined below) and all exhibits thereto executed by Seller, in the forms to be agreed upon by the parties prior to the Initial Due Diligence Deadline;

(vii) a Foreign Investment in Real Property Tax Act affidavit duly executed by Seller;

(viii) a Form 1099-S identifying Seller's gross proceeds and tax identification number, if required by the Escrow Agent;

(ix) such title affidavits and indemnities as may be reasonably required by the Title Company in connection with the issuance of the Title Policy;

(x) appropriate authorizing documents evidencing that Seller has the authority to enter into this Agreement, carry out the terms of this Agreement and sell the Community and evidencing that the individual or individuals executing this Agreement and any other documents contemplated hereunder or related hereto have the authority to so execute such documents;

(xi) a then-current census by payor type certified by Seller as of the applicable Closing Date as true, complete and accurate in all material respects, which shall include such information for the residents of the applicable portion of the Community as is reasonably acceptable to Buyer;

(xii) a certificate of Seller to the effect that all of the representations and warranties set forth in Article IV remain true and correct in all material respects as of the Closing Date; and

(xiii) such other instruments and documents as may be reasonably requested by Title Company and/or Buyer relating to Seller, to the Assets or the Business and as otherwise required to effectuate the transactions which are the subject of this Agreement, including, without limitation, certified charter and good standing certificates, certified copies of relevant corporate bylaws, agreements of limited partnership, operating agreement, and related incumbency certificates.

6.2.2 Buyer's Delivery. On or prior to the Closing Date, Buyer shall deliver to Seller or the Title Company, as applicable:

(i) a certified or cashiers' check or a wire transfer of immediately available funds in an amount sufficient to close the purchase of the Assets as detailed in Buyer's Closing Statement to be prepared by Title Company as provided in Section 6.2.3 below;

(ii) an Assignment and Assumption Agreement duly executed by Buyer;

(iii) a MOTA and, in the event Buyer has not obtained the CHOW approval for the RCFE portion of the Community, the Leaseback Documents executed by Buyer for the RCFE portion of the Community;

(iv) an OTA executed by Buyer for the SNF portion of the Community;

(v) an Escrow Holdback Agreement executed by Buyer;

(vi) appropriate authorizing documents certified by a secretary or assistant secretary evidencing that Buyer has the authority to enter into this Agreement, carry out the terms of this Agreement and purchase the Community and evidencing that the individual or individuals executing this Agreement and any other documents contemplated hereunder or related hereto have the authority to so execute such documents; and

(vii) such other instruments and documents as may be reasonably requested by Title Company or Seller relating to Buyer, to the Community and/or as otherwise required to transfer the Assets to Buyer pursuant to the terms and conditions of this Agreement, including, without limitation, certified charter and good standing certificates, certified copies of relevant corporate bylaws, agreements of limited partnership, operating agreement, and related incumbency certificates.

6.2.3 Delivery by Escrow. At least five (5) business days prior to the Closing Date, Title Company shall deliver to Buyer and Seller pro forma closing statements which set forth, in a manner and substance satisfactory to Buyer and Seller, the prorations and other credits and debits contemplated by this Agreement (collectively, "**Closing Statements**").

6.3 Conditions to Close. The Closing shall not occur unless and until the following conditions precedent and contingencies have been satisfied or waived in writing by the party for whose benefit the conditions have been included, it being expressly understood that the obligation of the parties to close this transaction is contingent upon the satisfaction or waiver of the conditions set forth below.

6.3.1 Buyer's Conditions.

(i) Approvals. All consents, approvals and other authorizations of any governmental agencies and third parties required for the Buyer's intended use of the Assets have been obtained, without the imposition of conditions unsatisfactory to Buyer in its sole discretion.

(ii) Representations and Warranties. Each representation and warranty of Seller in Article IV shall be true and correct in all material respects as of the Closing Date.

(iii) Destruction, Damage or Loss. There shall not have occurred prior to Closing, a destruction of, or damage or loss to, the Community from any cause whatsoever (other than ordinary wear and tear) relative to its condition as of the Effective Date, which would cost more than $250,000 to repair or cure. Buyer shall have the option, within thirty (30) days after receipt of written notice of any loss or losses in excess of the thresholds set forth above, to either terminate this Agreement or to purchase the Assets notwithstanding such loss, without deduction or offset against the Purchase Price. If the cost to repair or cure is in excess of the

thresholds set forth above and Buyer does not elect to terminate this Agreement, Buyer shall be entitled to any of Seller's insurance proceeds applicable to any such loss.

(iv) Seller Performance. Seller shall have performed, observed and complied in all material respects with all covenants, agreements and conditions required by this Agreement to be performed, observed and/or complied with by Seller prior to, or as of, the Closing.

(v) Title Insurance. Title Company has issued an irrevocable commitment to issue to Buyer the Title Policy together with all endorsements required by Buyer in the amount of the Purchase Price, subject only to the Permitted Exceptions.

(vi) RCFE CHOM/CHOW Approval. Buyer shall have either (i) received CHOM approval from DSS (as defined below) and entered into the Leaseback Arrangement (as defined below), or (ii) received the RCFE CHOW approval.

(vii) SNF CHOW Approval. Buyer shall have received the SNF CHOW approval from CDPH (as defined below).

(viii) RCFE MOTA. The closing of the transactions contemplated under the RCFE MOTA shall occur simultaneously with the Closing Date.

(ix) SNF OTA. The closing of the transactions contemplated under the SNF OTA shall occur simultaneously with the Closing Date.

(x) Delivery of Instruments. All instruments and other documents required to be delivered by Seller and described in Section 6.2.1 have been delivered to the Title Company.

(xi) Termination of Lease/Management Agreement. Seller agrees to terminate any existing lease and/or management agreement related to the existing operation and management of the Community effective as of the applicable Closing Date, and to provide such documentation as may be requested by Buyer and the Title Company to confirm that such lease and/or management agreement has been terminated as of said date.

(xii) Attorney General Approval. Seller shall have (i) provided notice of the transaction contemplated by this Agreement to the Attorney General, and either (a) obtained the Attorney General approval of the transaction and such approval does not impose any unreasonable and material conditions on the approval that are unacceptable to Buyer (in its sole discretion) or (b) Seller shall have provided evidence satisfactory to Buyer (in its sole discretion) that the Attorney General has elected not to object to the transaction contemplated by this Agreement ("**Attorney General Approval**"). The Parties acknowledge and agree that if the Attorney General objects to the transaction, the Closing Date shall be extended for up to ninety (90) days until the Attorney General has approved the transaction or waived its objection thereto.

6.3.2 Seller's Conditions.

(i) All funds, instruments and other documents required to be delivered by Buyer and described in Section 6.2.2 have been delivered to the Title Company.

(ii) Buyer shall have performed, observed and complied in all material respects with all covenants, agreements and conditions required by this Agreement to be performed, observed and/or complied with by Buyer prior to, or as of, the Closing.

(iii) Each representation and warranty of Buyer in Article V herein shall be true and correct in all material respects as of the Closing Date.

6.4 Recordation and Transfer. Upon satisfaction of the conditions set forth in Section 6.3 above, the Title Company shall:

(i) Cause the Grant Deed to be recorded in the Official Records of the County Recorder in the County in which the Community is located;

(ii) Deliver to Buyer one fully executed original of the Section 1445 Affidavit, any state law counterpart and one conformed copy of the recorded Grant Deed;

(iii) Deliver to Seller one conformed copy of the recorded Grant Deed;

(iv) Deliver to the parties entitled thereto any other Closing documents;

(v) Disburse to Seller all funds deposited with Title Company by Buyer in payment of the Purchase Price for the Community as provided herein; and

(vi) Pay to itself and third parties all agreed upon costs, expenses and disbursements as detailed in the Closing Statements to be prepared and approved by the parties as provided in Section 6.2.3 above.

6.5 Prorations. All income and expenses of the Community including rental income, utilities, general real estate taxes for the then current year, and the Assumed Obligations relating to the Community and all bonds, special taxes or assessments assessed prior to the Closing Date shall be prorated or otherwise reflected as debits and credits (i.e. setoffs) as of the Closing Date on the Closing Statements. Buyer and Seller shall cooperate with each other and shall provide all information to the other necessary to fully inform each of the rents and other income and all items of expenses existing as of the Closing Date. If the Closing shall occur before the real property actual taxes for the then current year are known, the apportionment of taxes shall be upon the basis of taxes for the Property for the immediately preceding year, provided that, if the taxes for the current year are thereafter determined to be more or less than the taxes for the preceding year (after any appeal of the assessed valuation thereof is concluded), Seller and Buyer promptly shall adjust the proration of such taxes and Seller or Buyer, as the case may be, shall pay to the other any amount required as a result of such adjustment. Buyer and Seller shall make a good faith effort to estimate the proration of income and expenses as of the Closing on or before the Closing. Buyer and Seller shall make a good faith effort to settle reconciliation of income and expenses within ninety (90) days after the Closing Date. Any balance owing from one party to the other shall be paid within fifteen (15) days of the rendering of the reconciliation. For the avoidance of doubt, any market rate fees due to any resident referral/placement agencies shall be the responsibility of Seller to the extent the applicable resident commenced occupancy at the Community at any time prior to any Closing Date. Prior to the Closing Date, Seller shall arrange for a final statement with respect to all utilities serving the Property as of the Closing Date and shall pay all fees identified thereon

and Buyer shall arrange for all such utilities to be billed in its name from and after the Closing Date and shall pay all fees due therefor after the Closing Date. The provisions of this Section 6.5 shall survive the Closing Date.

6.6 Close of Escrow. The Closing shall occur on the date that Buyer receives (i) either the CHOM or CHOW approval from DSS for the RCFE portion of the Community, and (ii) the CHOW approval for the SNF portion of the Community, or at such other place or on such other date as the parties may agree on in writing ("**Close of Escrow**" or "**Closing Date**").

6.7 Delivery of Possession. Except as otherwise agreed upon by the parties, Seller shall deliver possession of the Community to Buyer at the Closing.

ARTICLE VII

CERTAIN PRE-CLOSING AND POST-CLOSING COVENANTS

7.1 Condition of Community. From the Effective Date to Closing, Seller shall (i) operate the Property prudently as it has been operated customarily in the past, (ii) continue to maintain all insurance in force, and (iii) maintain the same level of inventory at the Community that existed as of the Effective Date. As of the Closing Date, the plumbing, electrical, HVAC and other major mechanical systems at the Community shall be in the same operating order and condition as such systems were existing as of the Effective Date, ordinary wear and tear excepted. As of the Closing Date, Seller shall be current in the payment of its accounts payable, expenses (including, without limitation, all employment taxes and withholding obligations), accrued vacation and other employee benefit obligations, and contractual obligations.

7.2 Employees. Effective immediately as of the Closing, Seller shall terminate all of its employees who work at the Community, and, effective immediately as of the Closing, Buyer may hire any or all of such employees on terms and conditions satisfactory to Buyer in its sole discretion; provided the parties hereto agree that, notwithstanding anything to the contrary contained in this Agreement, Buyer shall hire that number or percentage of employees and upon such terms so as to avoid applicability of the WARN Act and any other applicable laws or regulations requiring notice prior to plant or facility closings or a mass layoff, due to the transaction contemplated hereby and by this Agreement. Seller shall be responsible for and pay (by offset to the Purchase Price or otherwise) any unpaid vacation, bonuses, sick time and PTO and any other benefits accruing to Seller's employees prior to the Closing, and shall indemnify, defend and hold harmless Buyer (with counsel reasonably acceptable to Buyer) from and against any and all claims arising from Seller's employment-related matters prior to the Closing Date. Further, Seller shall indemnify Buyer for all obligations arising under the WARN Act (and its California equivalent) due to conduct or events occurring prior to the Closing, and Buyer shall indemnify Seller from all obligations arising under the WARN Act (and its California equivalent) due to conduct or events occurring on and after the Closing.

7.3 Records Retention. Buyer shall retain all records received from Seller for the periods required by law. Seller shall have access to such records and the right to make copies of such records for all legitimate purposes.

7.4 **Accounts Receivable**. The parties acknowledge and agree that Buyer is purchasing Seller's accounts receivable. At least ten (10) days prior to the Closing Date, Seller shall provide Buyer with a detailed listing of Seller's accounts receivable which arose from the provision of goods or services prior to the Closing Date. From and after the Closing Date, Buyer, or its management agent shall assume responsibility for the billing for and collection of payments on account of services rendered or goods sold by Seller or Buyer at the Community before or after the Closing Date. If any payments are received after the Closing Date by either party, they shall either be retained by Buyer if received by Buyer, or if they have been received by Seller, they shall be remitted to Buyer promptly, but in no event more than five (5) business days, after receipt thereof.

7.5 **Licenses**. Prior to the Second Due Diligence Deadline, Buyer or Buyer's manager shall submit (i) a CHOW application with the California Department of Social Services ("**DSS**") for the RCFE portion of the Community, and (ii) a CHOW application with the California Department of Public Health ("**CDPH**") for the SNF portion of the Community. The parties acknowledge that (i) either the CHOM (as defined below) or CHOW application for the RCFE portion of the Community must be approved by DSS prior to the Closing Date, and (ii) the CHOW application for the SNF portion of the Community must be approved by CDPH prior to the Closing Date. In the event Buyer determines that the CHOW approval for the RCFE portion of the Community cannot be obtained by the time the CHOW approval for the SNF portion of the Community is ready to be issued, Buyer will submit a CHOM application with DSS pursuant to which Buyer or Buyer's manager will be named as the new manager of the RCFE portion of the Community on Seller's existing RCFE license. Buyer will take and/or cause its manager or designee to take such actions as are a necessary to obtain the CHOW approvals, and CHOM approval if necessary, in a timely manner, including, without limitation, submitting any missing information required for Buyer's licensing applications reasonably promptly following receipt thereof by Buyer. In the event Buyer has not received the CHOW approval for the RCFE portion of the Community prior to the Closing Date and the parties will be closing on the basis of a CHOM approval, Seller, Buyer and/or Buyer's manager will need to enter into an interim arrangement (the "**Leaseback Arrangement**") for the RCFE portion of the Community to allow Buyer to manage the RCFE portion of the Community under Seller's existing RCFE license until the CHOW for the RCFE portion of the Community is approved. In the event the Leaseback Arrangement is necessary, as of the Closing Date, Seller, Buyer and/or Buyer's manager shall enter into an Interim Lease ("**Interim Lease**") and Interim Management Agreement ("**Interim Management Agreement**"), to be negotiated and agreed upon in good faith prior to the Initial Due Diligence Deadline. Upon Buyer's request, Seller shall execute any documentation in connection with the CHOM and/or CHOW applications ("**License Applications**") and shall reasonably cooperate in connection with such License Applications and Buyer or its assignee or designee's efforts to obtain the CHOM and CHOW approvals. Seller is required to provide written notice to (i) DSS and to Seller's RCFE residents (or their legal representatives) at least thirty (30) days prior of a change in management of the RCFE portion of the Community (the "**CHOM Notice**"), and (ii) to CDPH and to Seller's SNF residents (and their representatives) at least ninety (90) days prior to the change of operations of the SNF portion of the Community ("**CHOW Notice**"). Buyer and Seller shall jointly approve the CHOM Notice and CHOW Notice and Buyer and Seller shall distribute such CHOM Notice and CHOW Notice to Seller's residents and their representatives within the required applicable timeframes. In conjunction with providing the CHOM Notice and CHOW Notice to residents, Seller and Buyer shall together hold separate meetings with residents/families

and employees ("**Town Halls**") at the Community to announce that the Community will be transferred to Buyer. The Town Halls shall be scheduled at a date and time mutually convenient for Seller and Buyer.

7.6 **Operating Contracts.** Prior to the Second Due Diligence Deadline, Buyer shall review the Operating Contracts and inform Seller which of such Operating Contracts Buyer desires to assume effective as of the applicable Closing Date (the "**Designated Operating Contracts**"). Seller shall use commercially reasonable efforts to obtain any third party approvals required in connection with the assignment to Buyer of the Designated Operating Contracts. Effective as of the Closing Date, the Designated Operating Contracts that may be assigned hereunder shall be referred to herein as the "Assumed Operating Contracts." As of the Closing Date, Seller shall (i) assign the Assumed Operating Contracts to Buyer, and (ii) terminate any Operating Contracts which are not Assumed Operating Contracts hereunder.

7.7 **Tail Coverage**. On or prior to the Closing Date, Seller shall have delivered to Buyer, and Buyer shall have approved in its commercially reasonable discretion, the terms of two (2) year tail or extended reporting coverage insurance policies for Seller's professional and general liability insurance claims-made insurance coverage, which tail coverage Seller shall purchase at Seller's sole cost and expense to be effective as of the Closing Date ("**Tail Coverage**"). Concurrently with the Closing, Seller shall pay (or cause to be paid) all premiums for Seller's Tail Coverage and such coverage.

7.8 **Non-Compete Agreement**. Seller acknowledges that a fair return to Buyer on and protection of its investment in the Community is dependent, in part, on the concentration of similar businesses of Seller and its affiliates in the geographical area of the Community. Seller further acknowledges that the diversion of staff, residents, or patient care activities from the Community to other facilities owned or operated by Seller or any of its respective affiliates will have a material adverse effect on the value and utility of the Community. Therefore, Seller agrees that for a period of two (2) years after the Closing, neither Seller nor any of its respective affiliates shall, without the prior written consent of Buyer (which may be granted or withheld in Buyer's sole and absolute discretion): (a) operate, own, develop, lease, manage, control, invest in, participate in or otherwise receive revenues from a Competing Facility, (b) permit his, her or its name to be used by, or in connection with, any Competing Facility, or (c) except as is necessary to provide residents or patients with an alternative level of care, recommend or solicit the removal or transfer of any resident or patient from the Community to any other nursing, health care, senior housing, or retirement housing facility or divert actual or potential residents, patients or care activities of the Community to any other facilities owned or operated by Seller or any of its respective affiliates or from which they receive any type of referral fees or other compensation for transfers. In addition to the foregoing, during the two (2) year period following Closing, neither Seller nor any of its affiliates shall directly or indirectly, engage or participate in any effort to induce employees working on or in connection with the Community or the operations thereof to accept employment at any other nursing, health care, senior housing, or retirement housing facility that is operated, owned, developed, leased, managed, controlled, or invested in by Seller or any of its affiliates or in which Seller or its affiliates otherwise participates in or receives revenues from. The foregoing shall not be violated by Seller making any general advertisement for employment not directed to any particular employee who voluntarily contacts Seller regarding employment or who voluntarily chooses not to accept an offer of employment by Buyer. As used in this Agreement, "**Competing**

Facility" means a skilled nursing facility, assisted living facility, memory care facility, independent living facility or other health care facility providing services similar to those of the Community, licensed or unlicensed, existing or to be constructed that (i) competes in any direct or indirect way with, or is comparable in any way to, the Community and (ii) is located within a five (5)-mile radius of the Community. If, in any judicial proceeding, a court refuses to enforce any of such separate covenants (or any part thereof), then such unenforceable covenant (or such part) shall be eliminated from this Agreement to the extent necessary to permit the remaining separate covenants (or portions thereof) to be enforced. In the event that the provisions of this section are deemed to exceed the time, geographic or scope limitations permitted by applicable law, then such provisions shall be reformed to the maximum time, geographic or scope limitations, as the case may be, permitted by applicable laws and regulations. The terms of this Section 7.8 shall survive the Closing Date.

7.9 **Pastoral Services**. Buyer agrees to continue to provide pastoral services similar to those currently provided by Seller to the residents of the Community post-Closing.

ARTICLE VIII

INDEMNIFICATION

8.1 **Seller's Indemnity**. Seller hereby agrees to indemnify, defend (with counsel reasonably acceptable to Buyer) and hold Buyer and its members, officers, directors, employees, agents and affiliates harmless from and against all losses, claims, obligations, demands, assessments, penalties, liabilities, costs, damages, reasonable attorneys' fees and expenses (collectively, "**Damages**"), incurred by any or all of them or assessed against the purchased Assets by reason of or resulting from or based upon:

(a) The inaccuracy of any representation or breach or default of or under any warranty, covenant or agreement made by Seller in this Agreement, (including any other document delivered by Seller at the Closing, such as the Exhibit and Schedules or in any certificate, document or other written instrument delivered in connection with the transfer of Assets contemplated by this Agreement);

(b) Any claims arising out of or relating to occurrences of any nature relating to the ownership, operation or use of the Community or the conduct thereof prior to the Closing, whether any such claims are asserted prior to or after the Closing; and/or

(c) Any obligation under any of the Operating Contracts arising prior to the Closing.

8.2 **Buyer's Indemnity**. Buyer hereby agrees to indemnify, defend (with counsel reasonably acceptable to Seller) and hold Seller, and its members, officers, directors, employees, agents and affiliates harmless from and against all Damages asserted against or incurred by any or all of them by reason of or resulting from or based on:

(a) The inaccuracy of any representation or breach or default of or under any warranty, covenant or agreement made by Buyer in this Agreement (including any other document

delivered by Buyer at the Closing, such as the Exhibit and Schedules or in any certificate, document or other written instrument delivered in connection with the transfer of Assets contemplated by this Agreement);

(b) Any claims arising out of or relating to occurrences of any nature relating to Buyer's ownership, operation or use of the Community or the conduct thereof after the Closing; and/or

(c) Any obligation under any of the Operating Contracts (to the extent assumed by Buyer at Closing) arising after the Closing.

8.3 Defense of Claims. If a claim for Damages is to be made by a party seeking indemnification hereunder against the indemnifying party, the party seeking indemnification shall give written notice to the indemnifying party as soon as practicable after the party seeking indemnification becomes aware of any fact, condition or event which may give rise to Damages for which indemnification may be sought under this Agreement. If any lawsuit or enforcement action is filed against any party entitled to the benefit of indemnity hereunder, written notice hereof shall be given to the indemnifying party as promptly as practicable (and in any event within fifteen (15) days after the service of the citation or summons). After such notice, if the indemnifying party shall acknowledge in writing to the indemnified party that the indemnifying party shall be obligated under the terms of its indemnity hereunder in connection with such lawsuit or action, then the indemnifying party shall be entitled, if it so elects, to take control of the defense and investigation of such lawsuit or action and to employ and engage attorneys of its own choice (that do not have a legal conflict in representing the indemnified parties) to handle and defend the same, at the indemnifying party's cost, risk and expense, provided that the indemnifying party and its counsel shall proceed with diligence and in good faith with respect thereto and shall not settle such lawsuit or enforcement action without twenty (20) days' prior notice to the indemnified party and shall not settle any claim without the consent of the indemnified party (which consent shall not be unreasonably withheld). The indemnified party shall cooperate in all reasonable respects with the indemnifying party and such attorneys in the investigation, trial and defense of such lawsuit or action and any appeal arising therefrom; provided, however, that the indemnified party may, at its own cost, participate in the investigation, trial and defense of such lawsuit or action and any appeal arising therefrom.

8.4 Escrow Holdback. At Closing, Seller, Buyer and Title Company shall execute and deliver an escrow holdback agreement (the "**Escrow Holdback Agreement**"), the form of which shall be agreed upon by the parties prior to the Closing Date, under which Seller shall deposit with Escrow Holder, out of the Purchase Price, a sum equal to One Hundred Seventy Five Thousand and no/Dollars ($175,000.00) (with any interest thereon, the "**Escrow Holdback**"), to secure payment of any claim for Damages made in writing by Buyer to Seller in good faith prior to the expiration of the Survival Period, or (b) any amount owing from Seller following reconciliation of the prorations pursuant to this Agreement ("**Seller's Prorations**"). Seller and Buyer shall authorize Title Company to release funds from the Escrow Holdback to Buyer to pay any uncontested claim for Damages or Seller's Prorations. As of the expiration of the Survival Period, Title Company shall immediately release the Escrow Holdback (or the remainder thereof) to Seller, minus the reasonable estimated amount (a "**Specific Claim Amount**") necessary to satisfy any then-existing, good faith, unresolved claim for previously made in writing by Buyer to Seller and

Escrow Holder, less any amounts thereof for which an insurance company has, in writing, accepted the obligation to pay or defend. Upon satisfaction of all claims for Damages made in good faith in writing by Buyer to Seller prior to the expiration of the Survival Period or any Seller's Prorations, any previous Specific Claim Amount withheld by Escrow Holder but not required to be paid to Buyer shall be paid to Seller.

8.5 Survival. The indemnities provided for under this Section 8 shall survive the Closing.

ARTICLE IX

GENERAL PROVISIONS

9.1 Schedules Generally. The parties expressly acknowledge that, as of the Effective Date, no Schedules are attached to this Agreement. Notwithstanding anything contained hereto to the contrary, Seller shall have ten (10) days from and following the Effective Date to provide such Schedules to Buyer which Schedules, once delivered, shall become a part hereof and be considered delivered as of the Effective Date.

9.2 Real Estate Commissions. Each party hereto agrees to indemnify and hold harmless the other party from and against any and all losses, liens, claims, judgments, liabilities, costs, expenses or damages (including reasonable attorneys' fees and court costs) of any kind or character arising out of or resulting from any agreement, arrangement or understanding alleged to have been made by such party or on its behalf with any other broker or finder in connection with this Agreement or the transaction contemplated hereby. The provisions of this Section 9.2 shall survive the Closing.

9.3 Notices. Any notice or communication required or permitted hereunder shall be given in writing, sent by (a) personal delivery delivered by a representative of the party giving such notice, or (b) overnight delivery by recognized overnight courier, or (c) United States mail, postage prepaid, registered or certified mail, or (d) email addressed as follows:

If to Seller to:
Bethel Lutheran Home, Inc.
2877 23rd Ct.
Kingsburg, CA 93631
Attention: Laurel Jacobsen, CEO
Email: lolli707@comcast.net

With a copy to:
Wanger Jones Helsley PC
265 E. River Park Cir., Suite 310
Fresno, CA 93720
Attention: Jeffrey B. Pape, Esq.
Email: jpape@wjhattorneys.com

If to Buyer to:	Bayshire Central Valley LLC c/o Jericho Care Group, LLC 111 Barstow Avenue Clovis, CA 93612 Attention: Benjamin Carter Email: benjamin.carter@JerichoCare.com
With a copy to:	Hanson Bridgett LLP 425 Market Street, 26th Floor San Francisco, California 94105 Attention: Jennifer Berland Email: jberland@hansonbridgett.com

or to such other address or to the attention of such other person as hereafter shall be designated in writing by the applicable party sent in accordance herewith. Any such notice or communication shall be deemed to have been delivered either at the time of personal delivery actually received by the addressee or a representative of the addressee at the address provided above or, if delivered on a business day in the case of delivery service or certified or registered mail, as of the earlier of the date delivered or the date 72 hours following the date deposited in the United States or Canadian mail to the address provided herein. Any notices sent pursuant to the provisions of Section 9.3 above may be sent by electronic mail only and shall be deemed given when transmission is complete if no bounce back or error message is sent back in reply to the sender. Buyer and Seller hereby agree that notices may be given hereunder by the parties' respective counsel and that, if any communication is to be given hereunder by Buyer's or Seller's counsel, such counsel may communicate directly with all principals as required to comply with the provisions of this Section.

9.4 **Assignment**. The parties acknowledge that Buyer may assign its rights to purchase the Community and the Assets under this Agreement to one or more third parties. Without the prior consent of Seller, Buyer shall have the right to assign its interest in this Agreement to any entity owned in whole or in part or managed by Buyer, or to an affiliate of Buyer (a "**Buyer Party**"). Any assignment by Buyer to any entity other than a Buyer Party shall require Seller's prior consent, which consent shall not be unreasonably withheld, conditioned or delayed. Upon any such assignment, the Buyer shall be relieved of all liability hereunder, provided that any deposits made by Buyer shall become the deposits of the assignee.

9.5 **Confidentiality**. The parties hereto hereby agree that the information, documents and instruments delivered to Seller by Buyer or Buyer's agents and the information, documents and instruments delivered to Buyer by Seller or Seller's agents, including, without limitation, this Agreement and all documents delivered hereunder are of a confidential and proprietary nature (the "**Confidential Information**"). Each of the parties hereto agrees that both prior and subsequent to the Closing it will maintain the confidentiality of all such Confidential Information delivered to it by each of the other parties hereto or their agents in connection with the negotiation of this Agreement or in compliance with the terms, conditions and covenants hereof and only disclose such Confidential Information to its duly authorized officers, directors, representatives and agents unless (i) compelled to disclose by judicial or administrative process (including, without limitation, in connection with obtaining the necessary governmental approvals for the transactions contemplated hereby) or by other requirements of law or (ii) disclosed in an action or proceeding

brought by a party hereto in pursuit of its rights or in the exercise of its remedies hereunder; provided, however, that the parties hereto shall not disclose any Confidential Information not required to be disclosed as part of such permitted disclosure. Each of the parties hereto further agrees that if the transactions contemplated hereby are not consummated, it will return promptly the Confidential Information and all copies thereof in its possession to the other party to this Agreement. Except as required by law, each of the parties hereto agree that any release to the public with respect to the matters set forth herein will be made only in the form and manner approved by the parties and their respective counsel. Each of the parties hereto recognizes that any breach of this Section would result in irreparable harm to the other parties to this Agreement and that therefore either Buyer or Seller shall be entitled to an injunction to prohibit any such breach or anticipated breach, without the necessity of posting a bond, cash or otherwise, in addition to all of their other legal and equitable remedies. Nothing in this Section, however, shall prohibit the use of such Confidential Information for such governmental filings as in the mutual opinion of Seller's counsel and Buyer's counsel are (i) required by law or governmental regulations or (ii) otherwise appropriate. Neither party shall issue any press release regarding the entering into this Agreement or the consummation of the transactions contemplated hereby without the consent of the other party as to the wording of any such press release, which consent shall not be unreasonably withheld or delayed. Without limitation of the foregoing, Buyer shall comply with all applicable laws concerning confidentiality of information regarding residents at the Community.

9.6 Attorney's Fees and Legal Expenses. Should any party hereto institute any action or proceeding to enforce any provision hereof or for damages by reason of any alleged breach of any provision of this Agreement or for any other remedy, the party that is successful in any action shall be entitled to receive from the losing party all of its costs and expenses, including, without limitation, reasonable attorneys' fees and all court and/or arbitration costs, costs of appeal and disbursements actually and reasonably incurred in connection with said proceeding.

9.7 Section Headings. The Section headings contained in this Agreement are for convenience only and shall in no way enlarge or limit the scope or meaning of the various and several Sections hereof.

9.8 Entire Agreement. This Agreement embodies the entire agreement between the parties hereto and supersedes any prior understandings or written or oral agreements between the parties concerning the Community. Each party to this Agreement has substantial experience with the subject matter of this Agreement and has each fully participated in the negotiation and drafting of this Agreement and has been advised by counsel of its choice with respect to the subject matter hereof. Accordingly, this Agreement shall be construed without regard to the rule that ambiguities in a document are to be construed against the drafter, and each party shall be deemed to have participated in the negotiation and preparation of this Agreement.

9.9 Costs and Expenses. Except as otherwise specifically set forth herein, each party shall bear its own expenses in connection with the transactions contemplated by this Agreement, including, without limitation, the costs and expenses of all attorneys, engineers, brokers and agents employed by such party.

9.10 Applicability. The terms and provisions of this Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective permitted successors and assigns, except as expressly set forth herein.

9.11 Gender and Number. Within this Agreement, words of any gender shall be held and construed to include any other gender, and words in the singular number shall be held and construed to include the plural, unless the context otherwise requires.

9.12 Counterpart Execution. This Agreement may be executed by facsimile in multiple counterparts, each of which shall be deemed to be an original and all of which together shall constitute one document.

9.13 Applicable Law. This Agreement shall be construed and interpreted in accordance with the laws of the State of California.

9.14 Time Calculations. Should the calculation of any of the various time periods provided for herein result in an obligation becoming due on a Saturday, Sunday or legal holiday, then the due date of such obligation or scheduled time of occurrence of such event shall be delayed until the next business day. For purposes of this Agreement, a "**business day**" shall mean any day of the month excluding Saturdays, Sundays and any holiday which is a national banking holiday.

9.15 Severability. If any portion of this Agreement is held to be unenforceable by a court of competent jurisdiction, the remainder of this Agreement shall remain in full force and effect.

9.16 Amendments. This Agreement may be amended only by written agreement signed by both of the parties hereto.

9.17 Further Assurances. Whether prior to or after Closing, Seller and Buyer shall provide to the other such further assurances as may reasonably be required hereunder to effectuate the purposes of this Agreement and, without limiting the foregoing, shall execute and deliver such affidavits, certificates and other instruments as may be so required hereunder so long as the same shall not materially increase the liability of the Party so executing and delivering said instrument.

9.18 Authorship. The parties have participated jointly in the negotiation and drafting of this Agreement. In the event an ambiguity or question of intent or interpretation arises, this Agreement shall be construed as if drafted jointly by the parties, and no presumption or burden of proof shall arise favoring or disfavoring any party by virtue of the authorship of any provisions of this Agreement.

IN WITNESS WHEREOF the parties have executed this Agreement on the date first set forth above.

SELLER:

Bethel Lutheran Home, Inc.,
a California non-profit corporation

DocuSigned by:
By: LAUREL JACOBSEN
3F6780F9944E4C3...
Name: Laurel Jacobsen
Its: CEO

BUYER:

Bayshire Central Valley LLC,
a California limited liability company

By: Adam Salow
Name: Adam Salow
Its: Co-owner

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Schedule 1.2.1

Legal Description of the Community

[TO COME]

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Schedule 1.3.4

Personal Property to be Excluded from the Sale

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Schedule 3.3

Due Diligence Materials

I. ORGANIZATIONAL DOCUMENTS

A. Certificate of Good Standing in California for Seller.

II. PROPERTY AND ENVIRONMENTAL MATERIALS

A. Copies of all deeds, title reports, title policies and easements pertaining to the Property.

B. Copies of all surveys, building and occupancy permits, approvals, licenses, land use entitlements and construction and/or other warranties pertaining to the Community and the Property. Buyer shall be permitted to view all architectural drawings, engineering and construction drawings, floor plans, and construction specifications for the Property at Seller's offices from and after the Effective Date, and Seller shall deliver to Buyer all such materials and information as of the Closing.

C. All environmental assessments, surveys, inspection and test reports, including any Phase II testing results of the Property.

D. Any citations and notices of violations or other correspondence received from any federal, state or local authority pertaining to the physical condition of the Property including environmental matters.

III. BUSINESS RELATED MATTERS

A. Financial statements for the past three fiscal years, and for the last completed fiscal quarterly including a balance sheet and a profit loss statement for each period requested.

B. Any operating and capital budgets for the past three fiscal years and the current fiscal year and any actual/budgeted comparisons.

C. List of actual capital expenditures for each of the past three (3) fiscal years.

D. Year ending rent rolls for the past three (3) fiscal years if required by Buyer's lender.

E. Tax Returns for past three (3) fiscal years if required by Buyer's lender.

F. All vendor, payor, and other contracts, leases, management agreements.

G. Upon Buyer's request, inventories of furniture, fixtures, equipment.

H. Personnel lists and job descriptions.

I. All employment contracts, collective bargaining agreements.

J. All employment manuals, personnel policies and procedures.

K. Copies of all state or federal service mark registrations for the Community, any associated logos and any other proprietary or other intellectual property owned by Seller of by one of Seller's affiliates for the benefit of Seller.

L. Web Site service contracts.

IV. RISK MANAGEMENT MATTERS

A. List of any and all pending or threatened litigation or claims of any kind, including but not limited to, claims arising under Title VII, the Americans with Disabilities Act, the Age Discrimination in Employment Act, the Family and Medical Leave Act, worker compensation claims, other employment claims, retaliation claims, racial discrimination and bias claims, Fair Housing Act complaints, tort claims, etc.

B. Any correspondence, report, inquiry, or notice of investigation by the Office for Civil Rights, U.S. Department of Justice, U.S. Department of Labor, Fair Employment and Housing Commission, the Equal Employment Opportunity Commission, or any other federal, state, or local agency regarding any alleged discrimination by Seller.

C. All complaints filed by or on behalf of residents or their families with respect to the Community.

D. Copies of any and all statements of deficiency, complaints, or other allegations of regulatory violations by the DPH, Long-Term Care Ombudsman, CDPH or any other agency.

E. Copies of any and all insurance policies covering the Community and its operations.

F. Complete insurance claims history since the opening of the Community.

V. REGULATORY MATTERS

A. All licenses and waivers for the Community, and licenses for each of the Community's administrators.

B. All admissions contracts and forms including all appendices and exhibits and including any prior versions of agreements that are still in effect with respect to at least one resident. (One sample agreement from the Community is insufficient if older versions are in use).

C. All admissions questionnaires, including health, personal and financial screening forms.

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D. All advertising copy for the Community, including brochures, newsletters and print advertising.

E. All medical provider and professional service agreements, including subleases and other agreements with home health agencies, therapists, allied health professionals, laboratories, etc.

F. All policies procedures and manuals in effect, including policies governing:

1. admissions criteria and procedures;

2. theft and loss;

3. grievance and complaint resolution;

4. bedholds, transfers and discharge planning;

5. visitors;

6. safekeeping of valuables;

7. the use of motorized carts, wheelchairs, canes, or walkers, or limitations on residents' access to the Community or any part of the Community based on use of these aids or non-ambulatory status;

8. the use of private duty aides and attendants; and

9. care of persons with dementia.

G. All bedhold and transfer agreements.

H. Elder abuse reporting acknowledgements and information forms given to Seller's employees.

I. Copies of all fire clearances, including all restrictions on ambulatory and non-ambulatory occupancy of specific units, an itemization of residents who are ambulatory and non-ambulatory, and an indication as to whether residents reside in appropriately certified units.

J. Evidence of criminal record and health clearances for appropriate personnel to the extent permitted by law.

K. All correspondence, application forms and other documents pertaining to applicants who were denied admission to the Community.

L. All reports prepared by consultants dealing with admissions, quality assurance, utilization review, reimbursement, regulatory compliance, fire safety, financial matters, physical plant, or other material subjects.

M. All managed care and third-party payor agreements.

N. All Patient Self-Determination Act notices and policies (addressing the right to execute powers of attorney for health care and "living wills").

O. All waivers or special clearances obtained at the Community with respect to the care of persons with dementia, and all related correspondence and reports.

P. All patients' or residents' rights forms furnished by the Community's residents.

Q. All releases, waivers, and "negotiated risk agreements" entered into by Seller and any resident, family member, or other representative.

R. All forms authorizing the release of residents' medical information.

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Schedule 4.4

Financial Statements

[TO COME]

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Schedule 4.5

Absence of Certain Changes

[TO COME]

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Schedule 4.6

Title; Leased Assets

[TO COME]

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Schedule 4.7

Operating Contracts

[TO COME]

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Schedule 4.10

Claims and Proceedings

[TO COME]

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Schedule 4.11

Employee Information

[TO COME]

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Schedule 4.13

Permits

[TO COME]

EXHIBIT 2

to

Section §999.5(d)(1)(B)

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FIRST AMENDMENT
TO
AGREEMENT FOR PURCHASE AND SALE

This First Amendment to Agreement for Purchase and Sale ("**First Amendment**") is effective as of June 10, 2025 (the "**Effective Date**") and is entered into by and between BETHEL LUTHERAN HOME, INC., a California non-profit corporation ("**Seller**") and BAYSHIRE CENTRAL VALLY LLC, a California limited liability company d/b/a Jericho Care Group, or its assignee ("**Buyer**").

RECITALS

A Seller and Buyer entered into that certain Agreement for Purchase and Sale dated as of May 12, 2025 (the "**Agreement**") providing for the purchase by Buyer from Seller of certain real property and all improvements thereon located at 2280 Dockery and 1250 Rorden Avenue, in the City of Selma, County of Fresno, State of California, and as more particularly described in the Agreement (the "**Property**").

B. The parties now desire to amend the terms of the Agreement in certain limited respects as set forth below.

AGREEMENT

NOW, THEREFORE, in consideration of the foregoing and the mutual covenants set forth herein, the parties agree to amend the Agreement as follows:

1. **Definitions**. All capitalized terms used but not otherwise defined in this First Amendment will have the meaning ascribed to them in the Agreement.

2. **Definition of the Community**. The Community, as used in the Agreement, shall collectively mean the independent living facility ("**ILF**"), assisted living facility licensed as a residential care facility for the elderly ("**ALF**" or "**RCFE**"), and skilled nursing facility ("**SNF**"), commonly known as Bethel Lutheran Home and located at 2280 Dockery and 1250 Rorden Avenue, in the City of Selma, County of Fresno, State of California (APNs 389-320-29 and 389-320-33).

3. **Purchase Price**. The Purchase Price of the ILF is One Hundred and 00/100 Dollars ($100.00). The Purchase Price for the ALF and SNF, collectively, is Seven Million Nine Hundred Ninety-Nine Thousand Nine Hundred and 00/100 Dollars ($7,999,900.00).

4. **Allocation of Purchase Price**. Buyer and Seller agree to allocate the Purchase Price as follows:

Facility	Total Purchase Price	Real Property	Personal Property	Goodwill
ILF	$100.00	$100.00	$0.00	$0.00
ALF & SNF	$7,999,900.00	$7,999,900.00	$0.00	$0.00

5. **Effect**. The parties confirm that in all other respects, the Agreement will remain in full force and effect, unmodified, except to the extent set forth in this First Amendment. In the event of any inconsistency between this First Amendment and the Agreement, the terms and conditions of this First Amendment will control.

6. **Miscellaneous**.

a. This First Amendment will be governed by and construed under the laws of the State of California without regard to California conflict of law provisions.

b. This First Amendment may be executed by the parties hereto in counterparts, each of which will be deemed to be an original, but all such counterparts will constitute one and the same instrument, and all signatures need not appear on any one counterpart. A copy of this First Amendment executed and delivered by facsimile, electronic mail in ".pdf" format, or any electronic signature complying with the California Uniform Electronic Transactions Act and the U.S. federal ESIGN Act of 2000 (e.g., www.docusign.com) will be deemed to have the same legal effect as delivery of an original signed copy of this First Amendment.

c. This First Amendment represents the entire agreement between the parties with respect to the subject matter hereof and supersedes all prior and contemporaneous oral and written agreements and discussions. Each of the parties hereto covenants that it has not entered into this First Amendment as a result of any representation, agreement, inducement or coercion, except to the extent specifically provided herein. Each party hereto further covenants that the consideration recited herein is the only consideration for entering into this First Amendment, and that no promises or representations of other or further consideration have been made by any person.

d. This First Amendment shall be binding upon and inure to the benefit of the parties hereto and to their respective heirs, representatives, successors and assigns.

e. The individuals executing this First Amendment represent and warrant that each possesses all necessary authority and power to execute this First Amendment on behalf of the party on for whom he or she signs.

f. Should it become necessary to take steps to enforce the terms of this First Amendment, then the prevailing party shall be entitled to recover its attorney fees and costs related to the enforcement of this First Amendment.

IN WITNESS WHEREOF, the parties have entered into this First Amendment as of the Effective Date set forth above with the intent to be legally bound.

SELLER:

BETHEL LUTHERAN HOME, INC.,
a California non-profit corporation

DocuSigned by:
By: LAUREL JACOBSEN 6/10/2025
3F6760F9944E4C3...
Name: Laurel Jacobsen
Title: Chief Executive Officer

BUYER:

BAYSHIRE CENTRAL VALLEY LLC,
a California limited liability company

Signed by:
By: _____
1087AE5E7308400...
Name: Adam Salow
Title: Co-Owner

EXHIBIT 3

to

Section §999.5(d)(1)(B)

ASSIGNMENT AND ASSUMPTION
OF AGREEMENT FOR PURCHASE AND SALE

THIS ASSIGNMENT AND ASSUMPTION OF AGREEMENT FOR PURCHASE AND SALE (this "**Assignment**"), is made and entered into as of June 16, 2025 ("**Effective Date**"), by and between BAYSHIRE CENTRAL VALLEY LLC, a California limited liability company, d/b/a Jericho Care Group ("**Assignor**"), and 2280 DOCKERY HOLDINGS LLC, a California limited liability company ("**Assignee**"), with reference to the following:

RECITALS:

A. WHEREAS, pursuant to that certain Agreement for Purchase and Sale dated May 12, 2025, as amended by that certain First Amendment to Agreement for Purchase and Sale dated as of June 10, 2025 (collectively, the "**Purchase Agreement**"), by and between Assignor, as buyer, and Bethel Lutheran Home, Inc., a California non-profit corporation, as seller, Assignor agreed to purchase the real property and improvements commonly known as Bethel Lutheran Home, located at 2280 Dockery Avenue and 1250 Rorden Avenue in the City of Selma, County of Fresno, State of California (the "**Property**");

B. WHEREAS, Assignor now desires to assign all of its rights, title, interests and obligations in and to the Purchase Agreement and Assignee desires to accept such assignment of the Purchase Agreement along with all rights, title, and interests conferred thereby and to assume all of Assignor's obligations under the Purchase Agreement; and

NOW, THEREFORE, for valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Assignor and Assignee hereby agree, as follows:

1. Assignor hereby assigns to Assignee all of such Assignor's rights, title and interests in and to the Purchase Agreement, including without limitation the assignment of any and all deposits deposited into escrow by Assignor pursuant to the Purchase Agreement, and Assignor hereby delegates to Assignee all of Assignor's duties, liabilities and obligations whether accrued, contingent, or otherwise, arising from the Purchase Agreement.

2. Assignee hereby expressly accepts such assignment of the Purchase Agreement as if Assignee was the original purchaser under the Purchase Agreement, agrees to assume all of Assignor's obligations under the Purchase Agreement, and shall execute all documents and perform all obligations of Assignor accordingly.

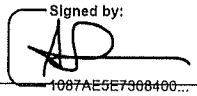
3. All words appearing in this Assignment in initial capital letters shall have the same meanings given to such words in the Purchase Agreement, unless otherwise defined herein.

4. Notwithstanding anything herein to the contrary, pursuant to the Purchase Agreement, Assignor shall not be released from any of its duties, covenants, obligations or representations and warranties under the Purchase Agreement and, from and after this Assignment, Assignor and Assignee shall be jointly and severally liable under the Purchase Agreement.

IN WITNESS WHEREOF, the parties hereto have executed this Assignment and Assumption of Agreement for Purchase and Sale as of the day and year first above written.

ASSIGNOR:

BAYSHIRE CENTRAL VALLEY LLC,
a California limited liability company

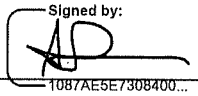
By: 

Name: Adam Salow

Title: Co-Owner

ASSIGNEE:

2280 DOCKERY HOLDINGS LLC,
a California limited liability company

By: 

Name: Adam Salow

Title: Manager

EXHIBIT 4

to

Section §999.5(d)(1)(B)

SECOND AMENDMENT TO AGREEMENT FOR PURCHASE AND SALE

THIS SECOND AMENDMENT TO AGREEMENT FOR PURCHASE AND SALE (this "**Second Amendment**") is made and entered as of July 8, 2025 ("**Execution Date**"), by and between 2280 Dockery Holdings LLC, a California limited liability company ("**Buyer**"), and Bethel Lutheran Home, Inc., a California non-profit corporation ("**Seller**").

RECITALS:

A. Seller and Buyer's predecessor in interest entered into that certain Agreement for Purchase and Sale dated as of May 12, 2025, as amended by that certain First Amendment to Agreement for Purchase and Sale dated June 10, 2025 (collectively, the "**Agreement**") providing for the purchase by Buyer from Seller of certain real property and all improvements thereon located at 2280 Dockery and 1250 Rorden Avenue, in the City of Selma, County of Fresno, State of California, and as more particularly described in the Agreement (the "**Property**").

B. Buyer and Seller now desire to amend the Agreement upon the terms and conditions contained herein.

NOW, THEREFORE, in consideration of the foregoing and the mutual covenants set forth herein, the parties agree to amend the Agreement as follows:

1. **Definitions**. All capitalized terms used but not otherwise defined in this Second Amendment will have the meaning ascribed to them in the Agreement.

2. **Assignment**. The parties acknowledge that Bayshire Central Valley LLC, a California limited liability company d/b/a Jericho Care Group assigned the Agreement to the Buyer pursuant to that certain Assignment and Assumption of Agreement for Purchase and Sale dated June 16, 2025.

3. **Employees**. Section 7.2 of the Agreement is hereby deleted in its entirety and is replaced with the following: "Effective immediately as of the Closing, Seller shall terminate all of its employees who work at the Community, and, effective immediately as of the Closing, Buyer will hire all of the employees for a period of no less than sixty (60) days on substantially similar terms and conditions; provided the parties hereto agree that, notwithstanding anything to the contrary contained in this Agreement, Buyer shall hire that number or percentage of employees and upon such terms so as to avoid applicability of the WARN Act and any other applicable laws or regulations requiring notice prior to plant or facility closings or a mass layoff, due to the transaction contemplated hereby and by this Agreement. Seller shall be responsible for and pay (by offset to the Purchase Price or otherwise) any unpaid vacation, bonuses, sick time and PTO and any other benefits accruing to Seller's employees prior to the Closing, and shall indemnify, defend and hold harmless Buyer (with counsel reasonably acceptable to Buyer) from and against any and all claims arising from Seller's employment-related matters prior to the Closing Date. Further, Seller shall indemnify Buyer for all obligations arising under the WARN Act (and its California equivalent) due to conduct or events occurring prior to the Closing, and Buyer shall indemnify Seller from all obligations arising under the WARN Act (and its California equivalent) due to conduct or events occurring on and after the Closing."

4. **Loan**. As of the Execution Date, Buyer agrees to loan up to Six Hundred Thousand and no/100 Dollars ($600,000.00) ("**Loan**") to Seller, at Seller's request, for use by Seller between the Execution Date and the Closing Date in order to: (a) fund operational needs; (b) fund investments in improvements to physical clinic infrastructure, quality and data systems, patient and community awareness, regulatory compliance, and any other needs required to achieve best practices at the Community, and (c)

any other costs or expenses related to the ownership and/or operation of the Community as approved by Buyer in its sole discretion, pursuant to the terms and conditions of that certain Senior Secured Superpriority Debtor-In-Possession Revolving Loan Agreement ("**Loan Agreement**") and Deed of Trust and Assignment of Rents ("**Deed of Trust**," and together with the Loan Agreement collectively referred to herein as the "**Loan Documents**") to be entered into by and between Seller and Buyer as of the Execution Date. Seller agrees to provide Buyer with satisfactory evidence, including a funds flow statement, invoices and any other information reasonably requested by Buyer, together with any request for disbursement of Loan Funds to Seller. Buyer shall endeavor to disburse Loan funds to Seller within three (3) Business Days of Seller's request therefor. The parties agree that Buyer shall be entitled to a credit against the Purchase Price in the amount of any Loan funds disbursed to Seller on the Closing Date. In the event the Agreement terminates for any reason, Seller shall repay to Buyer any Loan funds disbursed to Seller within thirty (30) days of said termination. **Administrator; Consulting Services**. On the Execution Date, Seller agrees to hire Benjamin Carter ("**BC**") as the licensed administrator for the Community. BC will serve as the licensed administrator until the earlier to occur of: (i) the Closing, (ii) the Agreement otherwise terminates by its terms, or (iii) BC provides notice to Seller that it will no longer serve in such capacity. Also on the Execution Date, the parties will enter into a consulting agreement ("**Consulting Agreement**") pursuant to which Buyer can make certain recommendations to Seller with respect to the Community operations.

5. **Effect of Second Amendment**. Except as amended and/or modified by this Second Amendment, the Agreement is hereby ratified and confirmed and all other terms of the Agreement shall remain in full force and effect, unaltered and unchanged by this Second Amendment. In the event of any conflict between the provisions of this Second Amendment and the provisions of the Agreement, the provisions of this Second Amendment shall prevail. Whether or not specifically amended by the provisions of this Second Amendment, all of the terms and provisions of the Agreement are hereby amended to the extent necessary to give effect to the purpose and intent of this Second Amendment.

6. **Miscellaneous**.

a. This Second Amendment will be governed by and construed under the laws of the State of California without regard to California conflict of law provisions.

b. This Second Amendment may be executed by the parties hereto in counterparts, each of which will be deemed to be an original, but all such counterparts will constitute one and the same instrument, and all signatures need not appear on any one counterpart. A copy of this Second Amendment executed and delivered by facsimile, electronic mail in ".pdf" format, or any electronic signature complying with the California Uniform Electronic Transactions Act and the U.S. federal ESIGN Act of 2000 (e.g., www.docusign.com) will be deemed to have the same legal effect as delivery of an original signed copy of this Second Amendment.

c. This Second Amendment represents the entire agreement between the parties with respect to the subject matter hereof and supersedes all prior and contemporaneous oral and written agreements and discussions. Each of the parties hereto covenants that it has not entered into this Second Amendment as a result of any representation, agreement, inducement or coercion, except to the extent specifically provided herein. Each party hereto further covenants that the consideration recited herein is the only consideration for entering into this Second Amendment, and that no promises or representations of other or further consideration have been made by any person.

d. This Second Amendment shall be binding upon and inure to the benefit of the parties hereto and to their respective heirs, representatives, successors and assigns.

e. The individuals executing this Second Amendment represent and warrant that each possesses all necessary authority and power to execute this Second Amendment on behalf of the party on for whom he or she signs.

f. Should it become necessary to take steps to enforce the terms of this Second Amendment, then the prevailing party shall be entitled to recover its attorney fees and costs related to the enforcement of this Second Amendment.

g. If a dispute arises out of or relates to this Agreement, or the breach thereof, and if said dispute cannot be settled through negotiation within thirty (30) days, the parties involved in the dispute agree to mediation with a mediator mutually selected by the parties. The mediator shall have sixty (60) days from the time of his or her appointment to meet with the parties and help them resolve the dispute, unless the parties mutually consent to an extension of the deadline. The costs of the mediation, including fees and expenses, shall be borne equally by the parties.

[SIGNATURES APPEAR ON THE FOLLOWING PAGES]

IN WITNESS WHEREOF, the parties have entered into this Second Amendment as of the Execution Date set forth above with the intent to be legally bound.

SELLER:

Bethel Lutheran Home, Inc.,
a California non-profit corporation

By: Laurel Jacobsen
Name: Laurel Jacobsen
Title: CEO

BUYER:

2280 Dockery Holdings LLC,
a California limited liability company

By: BCA
Name: Adam Salow Benjamin Carter
Its: Co-Owner

[SIGNATURE PAGE TO SECOND AMENDMENT TO AGREEMENT FOR PURCHASE AND SALE]

EXHIBIT 5

to

Section §999.5(d)(1)(B)

REVOLVING LOAN AGREEMENT

Up to $600,000.00 July 8, 2025

This **REVOLVING LOAN AGREEMENT** (this "Loan Agreement") is entered into as of July 8, 2025 (the "Effective Date"), between 2280 DOCKERY HOLDINGS LLC, a California limited liability company ("Lender"), and BETHEL LUTHERAN HOME, INC., a California non-profit corporation ("Borrower").

WHEREAS, Borrower owns certain real property and improvements, on which is housed an independent living facility, an assisted living facility licensed as a residential care facility for the elderly, and a skilled nursing facility, commonly known as Bethel Lutheran Home and located at 2280 Dockery and 1250 Rorden Avenue, in the City of Selma, County of Fresno, State of California (APNs 389-320-29 and 389-320-33) (the "Facility").

WHEREAS, Borrower's real property and improvements thereon are encumbered by a Deed of Trust benefitting National Loan Acquisition Company, dated May 1, 2020, and a Deed of Trust benefitting the U.S. Small Business Administration, dated March 11, 2022.

WHEREAS, as of the date hereof, Borrower and Lender entered into that certain Agreement for Purchase and Sale, as amended and assigned to date (collectively, the "Purchase Agreement"), pursuant to which Borrower agreed to sell, and Lender agreed to purchase, substantially all the real and personal property, and all other assets of Lender directly relating to the Facility and the business conducted at the Facility (collectively, the "Assets"), upon the terms and subject to the conditions of the Purchase Agreement. Capitalized terms used but not otherwise defined herein shall have the meanings given in the Purchase Agreement.

WHEREAS, subject to the satisfaction of the conditions set forth herein, Lender agrees to undertake commercially reasonable efforts to loan up to $600,000 to Borrower between the Effective Date and the Closing Date (as defined in the Purchase Agreement) in order to: (a) fund operational needs; (b) fund investments in improvements to physical clinic infrastructure, quality and data systems, patient and community awareness, regulatory compliance, and any other needs required to achieve best practices at the Facility; and (c) any other costs or expenses related to ownership and/or operation of the Facility.

WHEREAS, based on the foregoing, Lender desires to make loan advances to the Borrower in exchange for an interest-bearing obligation payable to the Lender at a future date, all in accordance with the terms herein.

NOW, THEREFORE, in consideration of the obligations described herein and other good and valuable consideration, the sufficiency of which is hereby expressly acknowledged, the parties hereto hereby agree as follows:

1. ***Advances.*** In the sole and absolute discretion of Lender, Lender may make loan advances to Borrower at any time and from time to time as requested by Borrower in accordance with this Loan Agreement (each, an "Advance", and, collectively, the "Advances"), and any

Advance shall be recorded on **Schedule A** annexed hereto. The outstanding principal amount of all Advances from time to time shall not exceed Six Hundred Thousand dollars ($600,000.00) in the aggregate. At any date, the cumulative amount of the Advances then outstanding shall be hereinafter referred to as the "Principal" under this Loan Agreement (i.e., the maximum amount of Principal under this Loan Agreement is Six Hundred Thousand dollars ($600,000.00)). Each request for an Advance shall be in writing and shall detail is reasonable sufficiency what Borrower proposes to use the proceeds of each Advance for. Lender may request additional information and reporting from Borrower at any time concerning the use of proceeds of any Advance, including an accounting of the use of any and all Advances. The minimum amount of each Advance shall be $25,000, and any and all Advances over and above this minimum amount shall be in increments of at least $25,000. Notwithstanding anything else herein, Lender shall have no obligation to make more than one Advance in any calendar month.

2. ***Interest Rate.*** Borrower promises to pay interest on the Principal outstanding hereunder (the "Interest"), from time to time, from the date hereof until payment in full, which Interest shall be payable arrears with respect to each Advance at a rate equal to Ten Percent (10%), for the month in which such Advance was made (the "Interest Rate" with respect to such Advance). All accrued Interest hereunder shall be computed on the basis of the actual number of days elapsed (including the first day but excluding the last day of such period) in a year of 365 days (or 366 days in a leap year).

3. ***Payment of Principal and Interest.*** The outstanding Principal hereunder plus accrued and unpaid Interest at the Interest Rate shall be due and payable in full on or before the Closing Date (the "Maturity Date"). In the event the Purchase Agreement terminates for any reason, the outstanding Principal hereunder plus accrued and unpaid Interest at the Interest Rate shall be due and payable by Borrower within thirty (30) days of termination. Subject to the remaining provisions of this Loan Agreement, Borrower shall pay all accrued Interest on the Maturity Date. Any payment that becomes due on a day that is not a Business Day shall instead become due on the next succeeding Business Day. For purposes of this Loan Agreement, "Business Day" means any day that is not (i) a Saturday or Sunday or (ii) a day on which commercial banks in San Francisco, California, are authorized or required to close. At any time and without notice, Borrower, at its election, may pay without penalty or premium the outstanding Principal hereunder in whole or in part together with accrued and unpaid Interest thereon. Any prepayment of Principal shall not change Borrower's obligation to make payments of Interest as set forth hereinabove. Furthermore, any amount of the Principal under this Loan Agreement that is repaid may not be re-borrowed by Borrower unless Lender expressly consents thereto.

4. ***Application of Payments.*** Any and all payments to Lender by Borrower pursuant to this Loan Agreement shall first be applied to Interest and then to the outstanding Principal hereunder.

5. ***Usury.*** Notwithstanding any other provision of this Loan Agreement, it is the intention of Lender to charge Borrower an interest at a rate that does not exceed the maximum legal rate permitted by applicable law. To the extent the rate provided hereunder, or any late payment charge or other amount payable under or in respect of this Loan Agreement, at any time exceeds the maximum legal rate under any applicable law, this Loan Agreement shall be deemed

amended to provide for interest at no more than the maximum legal rate, and to the extent any payment on account of this Loan Agreement has been made to Lender by Borrower which includes interest in excess of the maximum legal rate, such payment (to the extent of such excess) shall be credited against the Principal of this Loan Agreement or returned to the Borrower.

6. ***Representations and Warranties.*** To induce the Lender to enter into this Loan Agreement and to make the Advances, the Borrower represents and warrants to the Lender that the following statements are true, correct, and accurate on the date hereof and will be true and correct in all material respects at all times hereafter:

(a) The Borrower is a non-profit corporation duly incorporated and validly existing under the laws of the State of California and qualified to do business under the law of each jurisdiction in which the failure to be so qualified could reasonably be expected to have a material adverse effect whatsoever upon (a) the validity, performance or enforceability of this Loan Agreement, including Borrower's ability to perform Borrower's payment or other material obligations hereunder, (b) the value of the Assets, or (c) the business, financial condition, or results of operations of the Borrower;

(b) The Borrower has the full power and authority to execute the Loan Agreement and any deed of trust or other instrument securing the Borrower's obligations under the Loan Agreement (collectively, the "Transaction Documents") and to perform all of its obligations under the Transaction Documents. The execution and delivery by Borrower of the Transaction Documents and the Borrower's performance under the Transaction Documents have been duly authorized by all necessary corporate action. The Borrower has approved the execution, delivery and performance of the Transaction Documents and the consummation of the transactions contemplated thereby. The Borrower has duly executed and delivered this Loan Agreement, and this Loan Agreement constitutes its legal, valid and binding obligation, enforceable against it in accordance with its terms, subject to the effect of any bankruptcy, insolvency, reorganization, moratorium, arrangement or similar laws affecting the enforcement of creditor's rights generally; and

(c) The execution and delivery by Borrower of this Loan Agreement does not, the consummation of the transactions contemplated hereby, and compliance by the Borrower with the terms hereof will not, conflict with, or result in any violation of or default (with or without notice or lapse of time, or both) under, or give rise to a right of termination, cancellation or acceleration of any obligation or to loss of a material benefit under, or to increased, additional, accelerated or guaranteed rights or entitlements of any person under, or result in the creation of any lien upon any of the Assets under any provision of (i) the articles of incorporation or bylaws of Borrower, (ii) any contract to which Borrower is a party or by which any of the Assets is bound, or (iii) any judgment, order, decree, statute, law (including common law), codes, ordinance, rule or regulation applicable to Borrower or the Assets. No consent, approval, license, permit, order or authorization of, or registration, declaration or filing with, any Federal, state, local or foreign government or any court of competent jurisdiction, administrative agency or commission or other governmental authority or instrumentality, domestic or foreign is

required to be obtained or made by or with respect to Borrower in connection with the execution, delivery and performance of the Transaction Documents or the consummation of the transactions contemplated thereby.

7. ***Conditions Precedent to Advances***. The obligation of the Lender to make any Advance under this Loan Agreement is subject to the satisfaction of or waiver by the Lender in writing of each of the following:

(a) Entry of a final, non-appealable order by the United States Bankruptcy Court for the Eastern District of California (the "Court") on terms satisfactory to the Lender, which includes, among other things, approval of the sale of the Assets to the Lender on the terms set forth in the Purchase Agreement;

(b) No default or breach by the Borrower of this Loan Agreement has occurred;

(c) All representations and warranties contained herein are true, correct, and accurate in all material respects as of the date of the requested Advance;

(d) All representations and warranties contained in the Purchase Agreement are true, correct, and accurate in all material respects as of the date of the requested Advance;

(e) The Borrower has provided a written request for the respective Advance not later than 2:00 p.m., prevailing Pacific time, at least three (3) Business Days before the date upon which such Advance is requested to be made that includes a funds flow statement setting forth the amount of the requested Advance and wire instructions for payment of the Advance; and

(f) The Borrower's continuing satisfaction of the conditions set forth in the Purchase Agreement.

8. ***Acceleration***. The Lender may accelerate the Maturity Date and declare in writing that all Principal and Interest hereunder be (and upon an event referred to in clauses (a) through (d) below, such Principal and Interest shall automatically be) immediately due and payable if (a) Borrower defaults and fails to cure any failure to pay amounts then owing hereunder within five (5) Business Days of the date on which such payment was due; (b) Borrower's breach of the Purchase Agreement, (c) the termination of the Purchase Agreement, or (d) Borrower's termination or dissolution. Should Lender prevail in any proceeding to enforce an obligation under this Loan Agreement, Lender shall be entitled to recover Lender's costs, including reasonable attorneys' fees.

9. ***Obligations Offset From Purchase Price of the Assets***. Any Principal or Interest hereunder that remains outstanding as of the Closing Date shall be offset against, and reduce the Purchase Price to be paid for the Assets by Lender to Borrower at the Closing Date.

10. ***Security***. All Principal, Interest, and Collection Costs (as defined herein) shall be secured by a Deed of Trust executed by Borrower substantially in the form attached hereto as

Exhibit A. In addition, Borrower authorizes (and shall authenticate as appropriate) all records and shall perform all other acts reasonably requested by Lender in order to grant, perfect and maintain a first lien security interest in favor of Lender in the Acquired Assets.

11. ***Consent to Lender's Application for Superpriority of Obligations and Security***. Should a Chapter 11 Bankruptcy proceeding be filed with respect to Borrower, Borrower shall not unreasonably withhold its consent that Lender's claims to any Principal, Interest, and Collection Costs herein identified are superpriority in nature, and Lender's security interests in the Assets shall take precedence over all other debts/creditors of Borrower.

12. Waiver.

(a) The failure of Lender to exercise any of its rights hereunder in any instance shall not constitute a waiver thereof in that or any other instance and no single partial exercise by Lender of any right, power or remedy shall preclude other or further exercise thereof or any exercise of any rights, powers or remedies.

(b) Except as provided herein, Borrower hereby waives presentment for payment, demand, protest or any other notice of any kind with respect to the Principal and interest hereunder.

(c) The right to plead any and all statutes of limitations as a defense to any demands hereunder is hereby waived to the full extent permitted by law.

(d) Borrower agrees to pay costs of enforcement or collection of all amounts of Principal and interest hereunder, including, without limitation, attorneys' and paralegals' fees and costs and expenses incurred before and at trial, at all appellate levels and in the course of bankruptcy proceedings (collectively, the "Collection Costs").

13. ***Governing Law***. This Loan Agreement will be governed in all respects by the laws of the State of California as such laws are applied to agreements between California residents entered into and to be performed entirely within California.

14. ***Successors and Assigns***. The provisions of this Loan Agreement shall inure to the benefit of and be binding on any successor of the Borrower and shall inure to the benefit of the Lender and its successors and assigns; provided, that Lender may not assign, novate, participate or otherwise transfer any of its rights or obligations (if any) under this Loan Agreement to any person or entity without the Borrower's prior written consent, and any purported assignment, novation, participation or other transfer without such consent shall be null and void *ab initio*.

15. ***Severability***. In case any provision of this Loan Agreement will be declared invalid, illegal or unenforceable, the validity, legality and enforceability of the remaining provisions will not in any way be affected or impaired thereby.

16. ***Titles and Subtitles***. The titles of the paragraphs and subparagraphs of this Loan Agreement are for convenience of reference only and are not to be considered in construing this Loan Agreement.

17. ***Attorney's Fees.*** In the event of litigation with regard to this Agreement, the prevailing party in such litigation shall be awarded its reasonable attorneys' fees and court costs incurred from the non-prevailing party.

18. ***8.9 Mediation.*** If a dispute arises out of or relates to this Agreement, or the breach thereof, and if said dispute cannot be settled through negotiation within thirty (30) days, the parties involved in the dispute agree to mediation with a mediator mutually selected by the parties. The mediator shall have sixty (60) days from the time of his or her appointment to meet with the parties and help them resolve the dispute, unless the parties mutually consent to an extension of the deadline. The costs of the mediation, including fees and expenses, shall be borne equally by the parties.

19. ***Electronic Signatures.*** By executing this document electronically through the use of DocuSign (or other commercially available electronic signature software which results in confirmed signatures delivered electronically to the parties), each party (i) agrees that this document may be executed electronically; (ii) certifies that the signature below is his or her act; (iii) intends to create an electronic record; (iv) formalizes this document as an electronic transaction under the California Uniform Electronic Transactions Act, and (v) agrees that this document shall be treated as though manually signed by the parties.

20. IN WITNESS WHEREOF, the Borrower and the Lender have caused this Loan Agreement to be duly executed as of the day and year first above written.

BORROWER:

BETHEL LUTHERAN HOME, INC.,
a California non-profit corporation

By: _____
Name: Laurel Jacobsen
Its: CEO

LENDER:

2280 DOCKERY HOLDINGS LLC,
a California limited liability company

By: _____
Name: Adam Salow
Its: Co-Owner

Benjamin Carter

SCHEDULE A

Advances from Lender to Borrower

Date	Amount Drawn (Repaid)	Interest Rate	Signature of Borrower
	$_____	___%	

21956030

EXHIBIT 6

to

Section §999.5(d)(1)(B)

RECORDING REQUESTED BY:
Hanson Bridgett LLP
425 Market Street, 26th Floor
San Francisco, CA 94105
Attention: Jennifer Berland

When Recorded Mail To:
Hanson Bridgett LLP
425 Market Street, 26th Floor
San Francisco, CA 94105
Attention: Jennifer Berland

APN: 389-320-29 and 389-320-33 Space Above This Line For Recorder's Use
Address: 2280 Dockery and 1250 Rorden Avenue, Selma, California

DEED OF TRUST AND ASSIGNMENT OF RENTS

This **Deed of Trust**, made on July 8, 2025, by and among BETHEL LUTHERAN HOME, INC., a California non-profit corporation, herein called TRUSTOR, COMMONWEALTH LAND TITLE COMPANY, herein called TRUSTEE, and 2280 DOCKERY HOLDINGS LLC, a California limited liability company, herein called BENEFICIARY.

Witnesseth: That Trustor IRREVOCABLY GRANTS, TRANSFERS AND ASSIGNS to TRUSTEE IN TRUST, WITH POWER OF SALE, that certain property located in the County of Fresno, State of California, more particularly described on Exhibit A attached hereto ("**Property**").

In the event the herein described Property or any part thereof, or any interest therein is sold, agreed to be sold, conveyed, or alienated by the Trustor, or by the operation of law or otherwise, all obligations secured by this instrument, irrespective of the maturity dates expressed therein, at the option of the holder hereof and without demand or notice shall immediately become due and payable.

Together With the rents, issues and profits thereof, SUBJECT, HOWEVER, to the right, power and authority hereinafter given to and conferred upon Beneficiary to collect and apply such rents, issues and profits.

For the Purpose of Securing:

1. Performance of each agreement of Trustor herein contained.

2. Payment of the indebtedness evidenced by **Schedule A, Advances from Lender to Borrower**, attached to the **Revolving Loan Agreement** ("**Loan Agreement**") of even date herewith between Trustor and Beneficiary ("**Schedule A**"), and any extension or renewal thereof, in the principal sum of the total reflected thereon and executed by Trustor in favor of Beneficiary.

3. Payment of such further sums as the then record owner of said Property hereafter may owe Beneficiary, when evidenced by another note (or notes) reciting it is so secured.

4. Timely performance of all other obligations to be performed by Trustor under the Loan Agreement.

To Protect the Security of This Deed of Trust, Trustor Agrees:

1. To keep said Property in good condition and repair; not to remove or demolish any building thereon; to complete or restore promptly and in good and workmanlike manner any building which may be constructed, damaged or destroyed thereon and to pay when due all claims for labor performed and materials furnished therefor; to comply with all laws affecting said Property or requiring any alterations or improvements to be made thereon; not to commit or permit waste thereof; not to commit, suffer or permit any act upon said Property in violation of law; to cultivate, irrigate, fertilize, fumigate, prune and do all other acts which from the character or use of said Property may be reasonably necessary, the specific enumerations herein not excluding the general.

2. To provide, maintain and deliver to Beneficiary evidence of (i) fire insurance and (ii) general liability insurance, held by Trustor, and satisfactory to and with loss payable to Beneficiary. The amount collected under any fire or other insurance policy may be applied by Beneficiary upon any indebtedness secured hereby and in such order as Beneficiary may determine, or at the option of Beneficiary the entire amount so collected or any part thereof may be released to Trustor. Such application or release shall not cure or waive any default or notice of default hereunder or invalidate any act done pursuant to such notice.

3. To appear in and defend any action or proceeding purporting to affect the security hereof or the rights or powers of Beneficiary or Trustee; and to pay all costs and expenses, including cost of evidence of title and attorneys' fees in a reasonable sum, in any such action or proceeding in which Beneficiary or Trustee may appear, and in any suit brought by Beneficiary to foreclose this Deed.

4. To pay at least ten days before delinquency all taxes and assessments affecting said Property, including assessments on appurtenant water stock; when due, all encumbrances, charges and liens, with interest, on said Property or any part thereof, which appear to be prior or superior hereto; all costs, fees and expenses of this Deed.

5. To pay immediately and without demand all sums so expended by Beneficiary or Trustee, with interest from the date of expenditure at the amount allowed by law in effect at the date hereof, and to pay for any statement provided for by law in effect at the date hereof regarding the obligation secured hereby any amount demanded by the Beneficiary not to exceed the maximum allowed by law at the time when said statement is demanded.

6. That any award of damages in connection with any condemnation for public use of or injury to said Property or any part thereof is hereby assigned and shall be paid to Beneficiary which may apply or release such moneys received by it in the same manner and with the same effect as above provided for disposition of proceeds of fire or other insurance.

7. That by accepting payment of any sum secured hereby after its due date, Beneficiary does not waive its right either to require prompt payment when due of all other sums so secured or to declare default for failure so to pay.

8. That at any time or from time to time, without liability therefor and without notice, upon written request of Beneficiary and presentation of this Deed and said note for endorsement, and without affecting the personal liability of any person for payment of the indebtedness secured

hereby, Trustee may: reconvey any part of said Property; consent to the making of any map or plat thereof; join in granting any easement thereon; or join in any extension agreement or any agreement subordinating the lien or charge hereof.

9. That upon written request of Beneficiary stating that all sums secured hereby have been paid, and upon surrender of this Deed and said note to Trustee for cancellation and retention and upon payment of its fees, Trustee shall reconvey, without warranty, the Property then held hereunder. The recitals in such reconveyance of any matters or facts shall be conclusive proof of the truthfulness thereof. The grantee in such reconveyance may be described as "the person or persons legally entitled thereto." Five years after issuance of such full reconveyance, Trustee may destroy said note and this Deed (unless directed in such request to retain them).

10. That as additional security, Trustor hereby gives to and confers upon Beneficiary the right, power and authority, during the continuance of these Trusts, to collect the rents, issues and profits of said Property, reserving unto Trustor the right, prior to any default by Trustor in payment of any indebtedness secured hereby or in performance of any agreement hereunder, to collect and retain such rents, issues and profits as they become due and payable. Upon any such default, Beneficiary may at any time without notice, either in person, by agent, or by a receiver to be appointed by a court, and without regard to the adequacy of any security for the indebtedness hereby secured, enter upon and take possession of said Property or any part thereof, in its own name sue for or otherwise collect such rents, issues and profits, including those past due and unpaid, and apply the same, less costs and expenses of operation and collection, including reasonable attorney's fees, upon any indebtedness secured hereby, and in such order as Beneficiary may determine. The entering upon and taking possession of said Property, the collection of such rents, issues and profits and the application thereof as aforesaid, shall not cure or waive any default or notice of default hereunder or invalidate any act done pursuant to such notice.

11. That should Trustor fail to make any payment or to do any act as required by the Note or this Deed of Trust, then Beneficiary or Trustee, but without obligation so to do and without notice to or demand upon Trustor and without releasing Trustor from any obligation hereof, may: make or do the same in such manner and to such extent as either may deem necessary to protect the security hereof, Beneficiary or Trustee being authorized to enter upon said Property for such purposes; appear in and defend any action or proceeding purporting to affect the security hereof or the rights or powers of Beneficiary or Trustee; pay, purchase, contest or compromise any encumbrance, charge or lien which in the judgment of either appears to be prior or superior hereto; and, in exercising any such powers, pay necessary expenses, employ counsel and pay his reasonable fees.

12. That upon default by Trustor in payment of any indebtedness secured hereby or in performance of any agreement hereunder, Beneficiary may declare all sums secured hereby immediately due and payable by delivery to Trustee of written declaration of default and demand for sale and of written notice of default and of election to cause to be sold said Property, which notice Trustee shall cause to be filed for record. Beneficiary also shall deposit with Trustee this Deed, said note and all documents evidencing expenditures secured hereby.

13. After the lapse of such time as may then be required by law following the recordation of said notice of default, and notice of sale having been given as then required by law, Trustee, without demand on Trustor, may sell said Property at the time and place fixed by it in said notice of sale, either as a whole or in separate parcels, and in such order as it may determine, at public

auction to the highest bidder for cash in lawful money of the United States, payable at time of sale. Trustee may postpone sale of all or any portion of said Property by public announcement at such time and place of sale, and from time to time thereafter may postpone such sale by public announcement at the time fixed by the preceding postponement. Trustee shall deliver to such purchaser its deed conveying the Property so sold, but without any covenant or warranty, express or implied. The recitals in such deed of any matters or facts shall be conclusive proof of the truthfulness thereof. Any person, including Trustor, Trustee, or Beneficiary as hereinafter defined, may purchase at such sale. The Trustee shall apply any proceeds from sale in the following order, first to all costs, fees and expenses of Trustee and of this Trust, including cost of evidence of title in connection with sale, second to the payment of all outstanding interest on the Note, third to the payment of all outstanding Principals and any other amounts owed under the Note, and the remainder, if any, to the person or persons legally entitled thereto.

14. Beneficiary, or any successor in ownership of any indebtedness secured hereby, may from time to time, by instrument in writing, substitute a successor or successors to any Trustee named herein or acting hereunder, which instrument, executed by the Beneficiary and duly acknowledged and recorded in the office of the recorder of the county or counties where said Property is situated, shall be conclusive proof of proper substitution of such successor Trustee or Trustees, who shall, without conveyance from the Trustee predecessor, succeed to all its title, estate, rights, powers and duties. Said instrument must contain the name of the original Trustor, Trustee and Beneficiary hereunder, the book and page where this Deed is recorded and the name and address of the new Trustee.

15. That this Deed applies to, inures to the benefit of, and binds all parties hereto, their heirs, legatees, devisees, administrators, executors, and permitted successors and assigns. The term "Beneficiary" shall mean the owner and holder, including pledgees, of the note secured hereby, whether or not named as Beneficiary herein. In this Deed, whenever the context so requires, the masculine gender includes the feminine and/or neuter, and the singular number includes the plural.

16. That Trustee accepts this Trust when this Deed, duly executed and acknowledged, is made a public record as provided by law. Trustee is not obligated to notify any party hereto of pending sale under any other Deed of Trust or of any action or proceeding in which Trustor, Beneficiary or Trustee shall be a party unless brought by Trustee.

TRUSTOR:

BETHEL LUTHERAN HOME, INC.,
a California non-profit corporation

By: Laurel Jacobsen

Name: Laurel Jacobsen

Title: CEO

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

State of California)
County of Fresno)

On July 09, 2025, before me, M. Medina, a Notary Public, personally appeared Laurel Jacobsen, who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

M. MEDINA
Notary Public - California
Fresno County
Commission # 2428367
My Comm. Expires Dec 23, 2026

Signature M. Medina

EXHIBIT A

LEGAL DESCRIPTION

For APN/Parcel ID(s): 389-320-29 and 389-320-33

THE LAND REFERRED TO HEREIN BELOW IS SITUATED IN THE CITY OF SELMA, COUNTY OF FRESNO, STATE OF CALIFORNIA AND IS DESCRIBED AS FOLLOWS:

PARCEL ONE:

THAT PORTION OF LOT 4 OF SELMA LAND COMPANY'S VILLA, IN THE CITY OF SELMA, COUNTY OF FRESNO, STATE OF CALIFORNIA, ACCORDING TO THE MAP THEREOF RECORDED NOVEMBER 11, 1904 IN BOOK 2, PAGE 96 OF RECORD OF SURVEYS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY, DESCRIBED AS FOLLOWS: BEGINNING AT A POINT ON THE WEST LINE OF SAID LOT 4, WHICH POINT BEARS SOUTH 0° 10' WEST, 698.20 FEET, AND SOUTH 89° 58' 50" EAST 40 FEET FROM THE CENTER QUARTER CORNER OF SECTION 5, TOWNSHIP 16 SOUTH, RANGE 22 EAST, M.D.B.M., SAID POINT ALSO BEING SOUTH 0° 10' WEST 17 FEET FROM THE NORTHWEST CORNER OF SAID LOT 4; THENCE SOUTH 89° 58' 50" EAST PARALLEL TO THE NORTH LINE OF SAID LOT 4 A DISTANCE OF 502.94 FEET MORE OR LESS TO A POINT ON THE WEST LINE OF THAT CERTAIN PARCEL OF LAND CONVEYED TO SIDNEY WRIGHT ET UX BY DEED RECORDED JANUARY 29, 1964, IN BOOK 4958, PAGE 83 OF OFFICIAL RECORDS, DOCUMENT NO. 8028; THENCE SOUTH 0° 11' 58" WEST ALONG THE WEST LINE OF SAID SIDNEY WRIGHT ET UX PROPERTY 295.83 FEET, MORE OR LESS, TO A POINT ON THE SOUTH LINE OF THE NORTH HALF OF SAID LOT 4; THENCE ALONG SAID SOUTH LINE NORTH 89° 58' 50" WEST A DISTANCE OF 254.77 FEET, MORE OR LESS, TO THE SOUTHEAST CORNER OF THAT CERTAIN PARCEL OF LAND CONVEYED TO MIKE KOOLCANIAN, ET UX BY DEED RECORDED JANUARY 11, 1949, IN BOOK 2681, PAGE 475 OF OFFICIAL RECORDS, DOCUMENT NO. 1555; THENCE NORTH 0° 10' EAST ALONG THE EAST LINE OF SAID KOOLCANIAN PROPERTY A DISTANCE OF 84.75 FEET TO THE NORTHEAST CORNER THEREOF; THENCE NORTH 89° 58' 50" WEST ALONG THE NORTH LINE OF SAID KOOLCANIAN PROPERTY A DISTANCE OF 248 FEET TO A POINT ON THE WEST LINE OF SAID LOT 4; THENCE NORTH 0° 10' EAST ALONG THE WEST LINE OF SAID LOT 4 A DISTANCE OF 211.08 FEET, MORE OR LESS TO THE POINT OF BEGINNING.

TOGETHER WITH THAT PORTION OF VACATION OF LAND DESCRIBED IN THE DOCUMENT ENTITLED AS RESOLUTION NO. 94-11R A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SELMA FOR VACATION OF A PORTION OF DOCKERY AVENUE FROM EVERGREEN STREET TO RORDEN AVENUE RECORDED MARCH 28, 1994, AS DOCUMENT NO. 94-53199 OF OFFICIAL RECORDS PASSED BY RESOLUTION OF LAW.

APN: 389-320-29

PARCEL TWO:

PARCEL A OF PARCEL MAP 94-88 IN THE CITY OF SELMA, COUNTY OF FRESNO, STATE OF CALIFORNIA, AS PER MAP RECORDED SEPTEMBER 1, 1994 IN BOOK 55, PAGE 63 OF PARCEL MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY, AND PER CERTIFICATE OF CORRECTION RECORDED SEPTEMBER 19, 1994 AS DOCUMENT NO. 94-145971 IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY.

PARCEL TWO A:

AN EASEMENT FOR INGRESS AND EGRESS OVER THE SOUTH 24 FEET OF THE NORTH 43 FEET OF THE PROPERTY DESCRIBED IN THE GRANT DEED EXECUTED BY BETHEL LUTHERAN HOME, INC., TO COURTNEY J. MOORE, ET UX, RECORDED APRIL 11, 1990, AS INSTRUMENT NO. 90-40930, OFFICIAL RECORDS OF FRESNO COUNTY.

APN: 389-320-33

PLOTTED EASEMENTS.

EXHIBIT 7

to

Section §999.5(d)(1)(B)

CONSULTING AGREEMENT

THIS CONSULTING AGREEMENT ("**Agreement**") is entered into as of the 8th day of July, 2025 ("**Effective Date**") by and between and BETHEL LUTHERAN HOME, INC., a California non-profit corporation ("**Bethel**") and 2280 DOCKERY HOLDINGS LLC, a California limited liability company ("**Consultant**").

RECITALS

A. WHEREAS, Bethel owns that certain real property and improvements, on which is housed an independent living facility, an assisted living facility licensed as a residential care facility for the elderly, and a skilled nursing facility, commonly known as Bethel Lutheran Home and located at 2280 Dockery and 1250 Rorden Avenue, in the City of Selma, County of Fresno, State of California (APNs 389-320-29 and 389-320-33) (the "**Facility**").

B. WHEREAS, Bethel desires to have Consultant provide certain assistance to it with respect to its management activities of the Facilities, and Consultant desires to provide such assistance.

AGREEMENT

NOW, THEREFORE, in consideration of the mutual covenants contained herein and other good and valuable consideration, Bethel and Consultant agree as follows:

ARTICLE I TERM AND TERMINATION

1.1 Term. This Agreement shall commence at 12:01 a.m. on July __, 2025.

1.2 Termination. This Agreement shall automatically terminate upon the Closing Date, as such term is defined within the Agreement for Purchase and Sale Agreement dated as of May 12, 2025 between Bethel and Bayshire Central Valley LLC, a California limited liability company d/b/a Jericho Care Group ("Bayshire LLC"), Consultant's predecessor-in-interest, as assigned by Bayshire LLC to Consultant pursuant to that certain Assignment and Assumption of Agreement for Purchase and Sale dated as of June 16, 2025, and as amended to date (collectively, the "**Purchase Agreement**"), or immediately upon the earlier termination of the Purchase Agreement (as defined below) for any reason.

ARTICLE II CONSULTING SERVICES BY CONSULTANT

2.1 Services of Consultant. During the term of this Agreement, Consultant shall perform, on behalf of Bethel, all accounting functions with respect to the Facility. In addition, Consultant shall provide consulting services to Bethel with respect to staff schedules and the redesign of the operational policies and procedures of the Facility. In conjunction with the foregoing, Consultant shall do the following:

(a) Records. Consultant will keep accurate, complete, and separate records in accordance with accepted accounting standards and procedures.

(b) Compliance. Consultant shall review Bethel's policies and procedures and assist Bethel in modifying such policies and procedures as necessary in order to ensure compliance with all local, state and federal laws and regulations.

(c) Purchases. Consultant shall purchase such supplies, equipment, and services as are necessary for the maintenance of the Facility. Notwithstanding the foregoing, Consultant shall not expend the sum of $5,000 without the written approval of Bethel, which approval shall not be unreasonably withheld.

(d) Contracts. Consultant shall be permitted to enter into any lease or service contract related to the operation of the Facility. Notwithstanding the foregoing, Consultant shall not expend the sum of $5,000 without the written approval of Bethel, which approval shall not be unreasonably withheld.

(e) Employee Schedules. Consultant shall assist Bethel in developing and implementing staff schedules.

(f) Marketing. Consultant shall assist Bethel in marketing the Facility including, but not limited to, the development of strategic marketing plans, assessment of current marketing functions, and training of marketing personnel.

(g) Technology. Consultant shall assist Bethel in identifying and implementing new technologies.

2.2 Representations and Warranties of Consultant and Bethel:

(a) Representation of Experience. Consultant represents that it has professional experience in the management of skilled nursing, assisted living, and independent living facilities similar to the Facility, and that it can provide competent consultation with respect to the management of the facility in a professional manner and acknowledges that Bethel is relying upon this representation in entering into this Agreement.

Authority. Consultant and Bethel each represent and warrant that it has full power, authority and legal right to execute, deliver and perform this Agreement and to perform all of its obligations hereunder, and the execution, delivery and performance of all or any portion of this Agreement do not (i) require any consent or approval of any governmental authority, (ii) violate any provisions of law or any governmental order, or (iii) conflict with, result in a breach of, or constitute a default under, its charter or bylaws or any instrument to which it is a party or by which it or any of its property is bound.

ARTICLE III BETHEL'S OBLIGATIONS

3.1 Employees and Payroll. Bethel shall continue to employ all employees of the Facility. All employees shall be paid from funds disbursed from Bethel's bank account held for purposes of operating the Facility (the "**Operating Account**").

3.2 Responsibility for Operations. Notwithstanding anything in this agreement to the contrary, Bethel shall maintain such oversight and control as is required under California law of a licensee of a residential care facility for the elderly. In no event shall Consultant provide any services or perform any functions during the term of this agreement that would require Consultant to be a co-licensee under the laws pertaining to residential care facilities for the elderly.

ARTICLE IV COMPLIANCE WITH LAWS

4.1 Consultant Compliance. Consultant shall comply with and abide by all laws, rules, regulations, requirements, orders, notices, determinations and ordinances of any federal, state or municipal authority to the extent applicable to Consultant's responsibilities under this Agreement.

4.2 Bethel Compliance. Bethel shall comply with and abide by all laws, rules, regulations, requirements, orders, notices, determinations and ordinances of any federal, state or municipal authority to the extent applicable to Bethel's responsibilities under this Agreement.

4.3 Bethel Notification Responsibility. Bethel shall promptly notify Consultant of any alleged violation of any Bethel Requirements after becoming aware of the same.

ARTICLE V COMPENSATION

5.1 No Compensation. No compensation shall be owed from Bethel to Consultant during the Term of this Agreement.

ARTICLE VI INDEMNIFICATION

6.1 Indemnification of Bethel. Consultant shall indemnify and defend and hold Bethel harmless from and against any and all claims, demands, actions, liabilities, losses, damages, injuries and expenses (including, without limitation, actual attorneys' fees and defense costs) ("**Losses**") directly related to: (i) any acts of Consultant beyond the scope of its authority under this Agreement; or (ii) the bad faith, gross negligence or willful misconduct of Consultant. This indemnification shall not extend to Losses due to the negligence or willful misconduct of Bethel or to Losses due to or arising from the absence of funds in the Facility's Operating Account necessary to perform obligations.

6.2 Indemnification of Consultant. Bethel shall indemnify and defend and hold Consultant harmless from and against any and all Losses arising out of the operation or management of the Facility, including Consultant's obligations hereunder, except those Losses for which Consultant is obligated to indemnify Bethel under Section 6.1 above.

6.3 Survival. The rights and obligations provided in Sections 6.1 and 6.2 shall not be exclusive, shall survive the expiration or termination of this Agreement, and shall be in addition to such other rights and obligations as otherwise exist independent of the provisions of Sections 6.1 and 6.2.

ARTICLE VII RELATIONSHIP OF PARTIES

7.1 Nature of Relationship. Nothing in this Agreement, expressed or implied, shall be construed as creating a partnership or joint venture between Consultant (or any person employed by Consultant) and Bethel. In performing its duties under this Agreement, Consultant shall be acting as Bethel's agent.

ARTICLE VIII MISCELLANEOUS

8.1 Governing Law. This Agreement shall be governed by and construed in accordance with the internal laws of the State of California.

8.2 Headings. Any headings of the various articles and sections of this Agreement have been inserted for convenient reference only and shall have the effect of modifying or amending the express terms and provisions of this Agreement.

8.3 Force Majeure. Neither Bethel nor Consultant shall be liable for any failure to perform or delay in performance caused by fire, flood, casualty, acts of God, labor disputes, inability to obtain materials or supplies or other similar events beyond its reasonable control.

8.4 Successors and Assigns. All terms, conditions and agreements herein set forth shall inure to the benefit of, and be binding upon, the parties and any and all of their respective permitted heirs, successors, representatives and assigns; provided, however, neither party shall assign their interest in this Agreement without the consent of the other party, which consent may be withheld in such other party's sole discretion.

8.5 Waiver. The failure of either party to insist upon a strict performance of any of the terms or provisions of this Agreement or to exercise any option, right or remedy herein contained, shall not be construed as a waiver of or as a relinquishment for the future of such terms, provisions, options, right or remedy, but the same shall continue and remain in full force and effect. No waiver by either party of any terms or provisions hereof shall be deemed to have been made unless expressed in writing and signed by the party waiving such term or provision.

8.6 Partial Invalidity. In the event that any portion of this Agreement shall be decreed invalid by the judgment of a court, this Agreement shall be construed as if such portion had not been inserted herein except when such construction would operate as an undue unwaived material hardship upon Bethel or Consultant or constitute a material unwaived deviation from the general intent and purpose of said parties as reflected in this Agreement.

8.7 Time. Time if of the essence of this Agreement.

8.8 Attorneys' Fees. In the event of litigation with regard to this Agreement, the prevailing party in such litigation shall be awarded its reasonable attorneys' fees and court costs incurred from the non-prevailing party.

8.9 Mediation. If a dispute arises out of or relates to this Agreement, or the breach thereof, and if said dispute cannot be settled through negotiation within thirty (30) days, the parties involved in the dispute agree to mediation with a mediator mutually selected by the parties. The mediator shall have sixty (60)days from the time of his or her appointment to meet with the parties and help them resolve the dispute, unless the parties mutually consent to an extension of the deadline. The costs of the mediation, including fees and expenses, shall be borne equally by the parties.

8.10 Further Acts. Bethel and Consultant shall execute such other documents and perform such other acts as may be reasonably necessary or helpful to carry out the purposes of this Agreement.

8.11 Notices. Any notice required or desired to be given under this Agreement shall be given in writing and shall be deemed sufficiently given and served for all purposes upon receipt when personal delivered or delivered by expedited courier, or upon transmission when delivered by facsimile.

Consultant: 2280 Dockery Holdings LLC

IN WITNESS WHEREOF, the parties hereto have executed and delivered this Agreement effective as of the date and year first above written.

BETHEL:

BETHEL LUTHERAN HOME, INC.,
a California non-profit corporation

By: _____

Name: Laurel Jacobsen

Its: CEO

CONSULTANT:

2280 DOCKERY HOLDINGS LLC,
a California limited liability company

By: _____
Benjamin Carter

Name: Adam Salow

Its: Co-Owner

c/o Jericho Care Group
ATTN: Benjamin Carter
111 Barstow Avenue
Clovis, CA 93612
Email: benjamin.carter@jerichocare.com

Bethel: Bethel Lutheran Home, Inc.
ATTN: Laurel Jacobsen, CEO
2877 23rd Ct.
Kingsburg, CA 93631
Email: lolli707@comcast.net

8.12 Amendments. Any amendment to this Agreement shall not be effective unless it is made in writing and executed by Bethel and Consultant.

8.13 Counterparts. This Agreement may be executed in counterparts, each of which shall be deemed an original, but all of which, taken together, shall constitute one and the same instrument.

[Signatures appear on following page.]

Title 11, California Code of Regulations, § 999.5(d)(1)(C)

A statement of all of the reasons the board of directors of applicant believes that the proposed agreement or transaction is either necessary or desirable.

Applicant is in financial distress. See Exhibits 1, 2, and 3 to § 999.5(d)(11)(F), which are the Applicant's unaudited consolidated financial statements for 2023, 2024, and 2025 responsive to Section 999.5(d)(11)(F) below.

Due to inflation, rising insurance costs, increased benefits costs, workforce shortage pressures, the bed tax and other costs, Applicant is unable to continue operating the skilled nursing facility without needing to borrow substantial sums of money which will ultimately lead to its demise.

Bethel is one of only two skilled nursing facilities in Selma, California. Bethel was first opened in a small house 100 years ago, by a loving couple to care for the aged single Danish male immigrants who had worked in agriculture that required care. Bethel Lutheran Home grew to the current facility just a few hundred yards down from the original home.

Selma is a small, rural town in the Central Valley of California which is on the outskirts of Fresno. Many of the residents and staff members live in, or have lived near the city of Selma their entire life. Many of the staff and board have had and still have family members living in the Bethel Skilled Nursing Facility, assisted living area or in the Village apartments.

The closing of Bethel would have a devastating impact.

The impact of closure would not only affect the residents and staff at Bethel Lutheran Home, but would impact the entire community as many groups interact with Bethel Lutheran Home and its residents throughout the year celebrating holidays and birthdays of the residents by visiting or performing with voice and instruments.

The anticipated effects of a closure include but are not limited to the following:

- Displacement or relocation would be extremely stressful for residents, their family and caregivers. The elderly find change very difficult. They get agitated easily and this agitation manifests into anger, sadness and depression. When they lose their home and are forced to relocate to a new facility it can cause physical and emotional health issues. The stress they encounter with change leads to difficulty eating, weight loss, bathing, grooming, dressing, either a new onset or an exacerbation of their current status. It can also cause confusion, an increased risk for falls and withdrawal from activities.
- It will be difficult to find suitable housing for each of the residents due to the lack of skilled nursing facilities in the area. There may be financial consequences. It will

create problems for the families such as longer travel times and distances to visit their loved one.

Nurses and all Bethel staff – the adverse effects of closure would be:

- Job loss and unemployment
- Loss of income for staff members which impacts their families and their livelihood
- Difficulty finding similar or other employment in the small rural town of Selma
- Nursing facilities are scarce in this area so staff would be faced with having to seek employment elsewhere, which increases their costs of gas and wear and tear on their car and the travel time which increases the hours they are away from their families.

Community – the adverse effects of closure would be:

- The local community will suffer from lost revenue, loss of tax revenue and reduced economic activity.
- Local availability of Skilled Nursing Facility beds would decrease by 59 where there is already a low availability of these services.

The Board of Directors does not wish Bethel to be among the many closures of nursing homes that have occurred in California and the United States in the past few years, which have displaced so many residents.

Bethel's deliberative process is contained in the various minutes of meetings attached in response to Section 999.5(d)(11)(A). In summary, the process that led to selling Bethel's assets to JERICHO was as follows.

At Bethel's January 23, 2025, Board Meeting, Bethel's accountancy firm, Ratzlaff, Tamberi and Wong reported that Bethel was financially unstable and needed to take proactive steps to avoid bankruptcy. Ratzlaff, Tamberi and Wong recommended that Bethel, at a minimum, sell the Village at Bethel, which is the independent living facility. However, the Board of Directors were reluctant to sell the property, as this option would not ultimately make its operations stable over the long run nor was it believed that a piece- meal sale of assets would be desirable. As a result, the Board of Directors instead discussed exploring financing options and pursuing potential donors. The Board of Directors concluded that a commercial real estate brokerage firm would be contacted in order to determine a value for the property and the feasibility of a sale.

Bethel selected RC Commercial Ltd. to market the property, and identified Bethels' concerns and goals, which can be summarized as follows:

1. Ensure that the property continues to be used as a care facility, and not converted into apartments, or otherwise be used in a manner that disrupts our current tenants and staff.

2. Ensure that the 100-year-old community which has been created will be maintained and continue.

3. Ensure that Bethel receives an offer amounting to the property's approximate worth, with the recognition that time was of the essence, so a prolonged listing period was not desirable.

4. Select a buyer that has local ties and would prove to be more hands-on.

5. Select a buyer that would assume Bethel's liabilities for current and potential future lawsuits that may arise.

6. Select a buyer that would provide a smooth transition and likely continue the Bethel mission and retain the Bethel name.

Thereafter RC Commercial initiated a marketing process, communicating with Adventist Health, Community Medical Centers, Skillserve and JERICHO. Skillserve and JERICHO each offered to purchase Bethel's assets. Bethel's executive board met with representatives from both offering entities and interviewed each entity regarding its business mission and evaluate its compatibility with Bethel's mission. Adventist Health indicated it was interested, but only in entering into a "management agreement" rather than an "asset acquisition," which the Board of Director's determined was not going to address Bethel's financial issues. Thus, this offer was not evaluated any further. Bethel's Board of Directors held a separate meeting regarding the viability of each offer. Though it was suggested that Bethel open the property up to other offers, the time pressures Bethel was facing and the existence of two valid offers was deemed sufficient.

At a Special Board Meeting on March 28, 2025, the Board of Directors compared the two offers, one from Skillserve for $8.5 million excluding liabilities for lawsuits and the other from JERICHO including liabilities for $6.5 million. It was determined that, since JERICHO was more likely to provide local, hands-on ownership, and would likely continue Bethel's mission, JERICHO was the best option, but Bethel wanted to counter JERICHO's initial offer, requesting $6.95 million instead. During the negotiation of the agreement for sale to JERICHO, the parties could not reach agreement as to the present and future litigation liability that JERICHO was to assume. As a result, Bethel and JERICHO revised the purchase price to $8M. Although Skillserve provided the highest offer of $8,500,000.00, JERICHO was willing to accept Bethel's counteroffer of $8,000,000.00, and demonstrated it was more willing and able to ensure Bethel's

clients, patients, and staff would not be disrupted due to the sale. It was of utmost importance to Bethel that it find a buyer who was best equipped to provide a smooth transition and standard of community care that would be most beneficial to the Selma community, and JERICHO was determined to be the best choice.

Based on the Board's decision to accept JERICHO's offer, Bethel's members unanimously approved the sale of the assets to JERICHO at the Bethel's Annual Meeting of Members on April 27, 2025, (A copy of the Annual Meeting Minutes is attached to Section 999.5 hereto.) The members agreed that a sale was the best option, given Bethel's dire financial situation and potentially imminent bankruptcy.

Title 11. California Code of Regulations, § 999.5(d)(2)

Fair Market Value.

(A) *Estimated Fair Market Value of Consideration Received.* Applicant will receive $8,000,000 less a defined class of liabilities. There are 3 non-refundable deposits in the sum of $75,000 each to be paid to Applicant and applied to the purchase price during a due diligence period. A holdback provision requires the sum of $175,000 be retained in escrow for a period of one year to ensure compliance with JERICHO's representations.

(B) *Estimated Fair Market Value of Facilities.* Applicant estimates the fair market value of the assets to be transferred to be $8,000,000 to $8,500,000.

(C) *Description of Methods Used.* Applicant received a broker's opinion of value reporting the value was between $8,000,000 and 8,500,00. The Broker's report analyzed four comparable sales in the area that have occurred in the past five years. Four other skilled nursing facilities in the area with a similar capacity and acreage sold for between $4,140,000-$8,300,000. Applicant received two confidential letters of intent from two separate prospective buyers. JERICHO initially offered $6,500,000 and raised their offer to $8,000,000. The other confidential offer was $8,500,000.

(D) *Reports.* Attached as Exhibit 1 is the broker's opinion of value.

(E) *Not Applicable.*

EXHIBIT 1

to

Section §999.5(d)(2)

RC COMMERCIAL LTD.

ATTORNY-CLIENT PRIVLEDGED

April 1, 2025

Mr. Jeffery Pape
Wanger Jones Helsley PC
265 E. River Park Circle Suite 310
Fresno, CA 93720

RE: Broker Opinion of Value
Bethel Lutheran Home
2280 Dockery and 1250 Rorden Ave
Selma, CA 93662
APN#s 389-320-29 & 389-320-33

Dear Mr. Pape,

Following your request, I have evaluated the referenced properties to provide our professional opinion of their current market value as of April 1, 2025.
The subject property is a skilled nursing, assisted living, and independent living facility situated on approximately 7 acres of land, with buildings totaling 81,123 square feet. The facility comprises 59 skilled nursing beds, 33 assisted living beds, and 36 independent living units. The skilled nursing and assisted living buildings, constructed in 1965, have undergone some renovations but exhibit deferred maintenance issues. The independent living buildings, built in 2000, appear to be in good condition. As the business is currently operating at a loss, no value has been assigned to the business in this valuation.

As a result of a market evaluation and study made, the opinion has been formed that the approximate market value of the subject property in its current "as-is" condition as of April 1, 2025 is as follows:

Total Property Value: $8,000,000 - $8,500,000

The above opinion does not reflect any adverse title, structural or environmental conditions which may be present on the property.

Thank you for this opportunity, and please don't hesitate to call me at (559) 448-1500 if you have any further questions.

Respectfully submitted,
RC COMMERCIAL

RC COMMERCIAL LTD.

Derek J. Feramisco
Partner
575 E. Alluvial
Fresno, CA 93720
CA DRE License #01427540

SALE COMPARABLES

1. Twilight Haven Senior Living – 1717 Winery Ave, Fresno: Skilled nursing, assisted living and independent living facility built in 1965 on 8.85 acres sold on March 8, 2024 for $7,325,000.
2. Sunnyside Convalescent Hospital – 2939 S. Peach Ave, Fresno: 99 bed Skilled nursing and assisted living facility built in 1966 on 5.7 acres sold November 2, 2021 for $4,140,000.
3. Hanford Post Acute – 1007 W. Lacey Blvd, Hanford: 124 bed Skilled nursing and assisted living facility built in 1965 on 1.8 acres sold February 21, 2020 for $5,750,000.
4. Kings Nursing Rehab Center – 851 Leslie Ln, Hanford: 68 bed skilled nursing and assisted living facility built in 1964 on 2.16 acres sold October 30, 2020 for $8,300,000.

Title 11. California Code of Regulations, § 999.5(d)(3)

Inurement and Self-Dealing

(A) *Documents or Writings Regarding Personal Financial Benefit.* Applicant represents that there are no documents or writings of any kind that relate or refer to any personal financial benefit that would be conferred upon any officer, director, doctor, medical group, employee or any other entity affiliated with the applicant.

(B) *Identity of Persons Who Have any Personal Financial Interest with Applicant or Transferee.* Applicant represents that there are no such officers, trustees, directors, family members, or affiliates who have any personal financial interest currently doing business with applicants, affiliates of applicants, transferees, or affiliates of transferees.

(C) *Compliance with Health and Safety Code sections 1260 and 1260.1.* The members of the Board of Directors' role in the sale or transfer was to provide factual information concerning the non-profit corporation, community, financial status, and other similar data. Each member of the Board of Directors of Applicant has made a written affirmative declaration that he or she will not work for or receive any form of remuneration from JERICHO in the future. Attached hereto as Exhibits 1 – 7 are the Declarations of Applicant's Directors.

EXHIBIT 1

to

Section §999.5(d)(3)

Declaration of Director

I, Laurel Jacobsen, a member of the Board of Directors of Bethel Lutheran Home Inc, declare that I have not and will not work for, or receive any form of remuneration now or in the future from Bayshire Central Valley, a California limited liability company d/b/a JERICHO. and any and all of its affiliates including but not limited to 2280 Dockery Holdings LLC.

I declare under penalty of perjury under the laws of the State of California that the foregoing is true and correct.

Dated: July 9, 2025

Laurel Jacobsen

EXHIBIT 2

to

Section §999.5(d)(3)

Declaration of Director

I, Terry Gardner, a member of the Board of Directors of Bethel Lutheran Home Inc, declare that I have not and will not work for, or receive any form of remuneration now or in the future from Bayshire Central Valley, a California limited liability company d/b/a JERICHO and any and all of its affiliates including but not limited to 2280 Dockery Holdings LLC.

I declare under penalty of perjury under the laws of the State of California that the foregoing is true and correct.

Dated: July 9, 2025

Terry Gardner

EXHIBIT 3

to

Section §999.5(d)(3)

Declaration of Director

I, Joyce Harris, a member of the Board of Directors of Bethel Lutheran Home Inc, declare that I have not and will not work for, or receive any form of remuneration now or in the future from Bayshire Central Valley, a California limited liability company d/b/a JERICHO and any and all of its affiliates including but not limited to 2280 Dockery Holdings LLC.

I declare under penalty of perjury under the laws of the State of California that the foregoing is true and correct.

Dated: July 9, 2025

Joyce Harris

Joyce Harris

EXHIBIT 4

to

Section §999.5(d)(3)

Declaration of Director

I, Barbara Petersen, a member of the Board of Directors of Bethel Lutheran Home Inc, declare that I have not and will not work for, or receive any form of remuneration now or in the future from Bayshire Central Valley, a California limited liability company d/b/a JERICHO and any and all of its affiliates including but not limited to 2280 Dockery Holdings LLC.

I declare under penalty of perjury under the laws of the State of California that the foregoing is true and correct.

Dated: _____

Barbara Petersen

4914-1329-6460, v. 1

EXHIBIT 5

to

Section §999.5(d)(3)

Declaration of Director

I, John Jensen, a member of the Board of Directors of Bethel Lutheran Home Inc, declare that I have not and will not work for, or receive any form of remuneration now or in the future from Bayshire Central Valley, a California limited liability company d/b/a JERICHO and any and all of its affiliates including but not limited to 2280 Dockery Holdings LLC.

I declare under penalty of perjury under the laws of the State of California that the foregoing is true and correct.

Dated: _____

_____
John Jensen

EXHIBIT 6

to

Section §999.5(d)(3)

Declaration of Director

I, Ann Akre, a member of the Board of Directors of Bethel Lutheran Home Inc, declare that I have not and will not work for, or receive any form of remuneration now or in the future from Bayshire Central Valley, a California limited liability company d/b/a JERICHO and any and all of its affiliates including but not limited to 2280 Dockery Holdings LLC.

I declare under penalty of perjury under the laws of the State of California that the foregoing is true and correct.

Dated: _____

~~Ann Akre~~ Ann AaKre

4928-7887-8028, v. 1

EXHIBIT 7

to

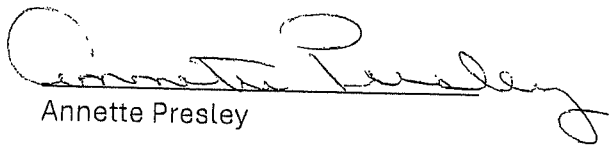
Section §999.5(d)(3)

Declaration of Director

I, Annette Presley, a member of the Board of Directors of Bethel Lutheran Home Inc, declare that I have not and will not work for, or receive any form of remuneration now or in the future from Bayshire Central Valley, a California limited liability company d/b/a JERICHO and any and all of its affiliates including but not limited to 2280 Dockery Holdings LLC.

I declare under penalty of perjury under the laws of the State of California that the foregoing is true and correct.

Dated: July 9, 2025



Annette Presley

EXHIBIT 8

to

Section §999.5(d)(3)

Declaration of Director

I, Mary Allen, a member of the Board of Directors of Bethel Lutheran Home Inc, declare that I have not and will not work for, or receive any form of remuneration now or in the future from Bayshire Central Valley, a California limited liability company d/b/a JERICHO and any and all of its affiliates including but not limited to 2280 Dockery Holdings LLC.

I declare under penalty of perjury under the laws of the State of California that the foregoing is true and correct.

Dated: July 9, 2025

Mary Allen

Title 11, California Code of Regulations, § 999.5(d)(4)

Charitable Use of Assets

(A) *Corporate Instruments.* BETHEL'S original Articles of Incorporation are attached hereto as Exhibit 1. BETHEL's Restated Articles of Incorporation are attached hereto as Exhibit 2.

> "The property of this Corporation is irrevocably dedicated to religious purposes and no part of the net income or assets of this Corporation shall ever inure to the benefit of any director, officer, or member thereof, or to the benefit of any private persons. Upon the dissolution or winding up of the Corporation, its assets remaining after payment of, or provision of, all debts and liabilities of this Corporation shall be distributed to a non-profit fund, foundation, or corporation which is organized and operated exclusively for religious purposes, which has established its tax-exempt status under Internal Revenue Code §501(c)(3), satisfies the requirements of California Revenue and Taxation Code §214, and is a Lutheran affiliated or recognized social ministry organization."

BETHEL'S Bylaws are attached hereto as Exhibit 3.

(B) *Planned Use of the Net Proceeds.* The Board presently intends to distribute the net assets if any to one or more of the following qualifying entities.

1. Immanuel Lutheran Church; 5955 S Elm Ave. Fresno, CA 93706; 559-237-7909; www.immanueleaston.com

This donation would be designated for use of Immanuel Lutheran Church operations and functioning.

2. North American Lutheran Church ("NALC") Disaster Relief Foundation; 100 Indiana Avenue NW, Washington DC 20001-214; 202-423-2442; DisasterReliefFoundation@nalc.org. North American Lutheran Church, 2113 Harwood Rd, Suite 309, Bedford TX 76021

This Lutheran organization sends disaster assistance, in the form of money and supplies, in response to Natural Disasters - such as earthquakes, tornadoes, hurricanes and wildfires – to impacted communities throughout the nation. This organization offers resources and capabilities to assist in early response and longer-term recovery. This organization provides assistance for response to domestic disasters only. As a Lutheran organization committed to aiding the community, especially those who have been victimized

by such unforeseen tragedies, NALC aligns with Bethel's goals of providing support to Lutheran corporations that are dedicated in assisting the less-fortunate, and those individuals who are particularly in need.

3. Lutheran World Relief; P O Box 17061 Baltimore, MD 21297-1061; 700 Light St, Baltimore, MD 21230; 501(c)(3); EIN13-2574963

Lutheran World Relief was established about 75 years ago and continues to serve communities in need around the world. Currently, Lutheran World Relief operates in East and West Africa, Latin America, Asia and the Middle East, helping some of the world's poorest communities by aiding those who have been victimized by unforeseen natural disasters.

4. Selma Cares; P.O. Box 522, Selma, CA 93662; 559-896-2229; 46-3778651 (Fed 501(c)(3), federal non-profit)

This is a joint venture spurred on by the residents of organizations and churches in Selma, California. It was established over 30 years ago with the intent of providing assistance to Selma residents who are in need of basic necessities including food, clothing, water, etc. Selma Cares has no paid staff or office and is registered as a 501c3 nonprofit organization. The Selma Police department, and the entire town of Selma helps run and promote Selma Cares. Selma Cares also obtains the names of senior citizens in need, from pastors, the senior center or community representatives, so Selma Cares may provide some measure of assistance to those citizens as well. Additionally, Selma Cares provides emergency aid throughout the year, depending on the need.

5. Selma Cancer Support; 2128 North Street, Selma, CA 93662; www.Selmascancersupport.com; 559-891-7591; (501(c)(3)

This foundation is a local group that provides support for those suffering from cancer in the Selma, California community. It is a non-profit organization that aims to make a difference in the lives of cancer victims in the community by offering assistance in whatever manner possible, like providing transportation to appointments. Evidence of medical diagnosis and needs is required. It is all volunteer run, and all donated funds are used locally. The local rep is Char Tucker. As a 501(c)(3) organization that helps assist those who are in physical and financial need, Selma Cancer Support is the type of organization that aligns with Bethel's goals and purpose of assisting those in need.

6. In connection with its dissolution, the Board may form a qualifying a non-profit organization, under the auspices of Immanuel Lutheran Church, that would use proceeds to establish a fund that would maintain spiritual emphasis at the Bethel Lutheran Home by financially aiding the existing church at the Village at Bethel. Bethel would be ensuring its

goals and legacies live on at Bethel Lutheran home, which would both solidify Bethel's, intention to maintain and strengthen the Lutheran religion, and provide spiritual support to those at Bethel Lutheran Home.

7. There are numerous Lutheran Churches in our area that, in the past, have given support to Bethel Lutheran Home but can no longer do so because they are struggling financially. All of them would be qualified recipients and could use funds directed their way to build their churches back up.

Immanuel Lutheran Church; (currently supporting Bethel, listed above in #1.)

Bethel Lutheran Church; 187 N Broadway St, Fresno CA 93701; 559-264-5385

Pella Lutheran Church; 1505 Evergreen St. Selma, CA 93662; 559-896-3275 (This is the church that started Bethel Lutheran Home)

Our Savior's Lutheran Church; 13441 Quince, Caruthers CA 93609

Christ Lutheran Church; 1254 N Frankwood Avenue, Reedley, CA 93654; 559-638-2112

All of these entities are Lutheran churches who provide their own spiritual support to the community and abide by the social ministry mission Bethel has facilitated.

8. West East Missions Handclasp; P.O. Box 1506, Lomita, CA 90717-5506; EIN 95-4649170 c/o Donald E Fox

The Lutheran Church was heavily involved in this ministry during its early years. Currently, in Myanmar (Burma), the Karen people have been violently forced from their home. This ministry is assisting the Karen people, by taking some of the children to their children's home in Musikee and caring for and educating them. As a charitable organization that provides assistance to children in need, specifically those impacted by persecution in Burma, West East Missions Handclasp provides the type of support that promotes Bethel's mission of providing assistance to those in need.

EXHIBIT 1

to

Section §999.5(d)(4)

ARTICLES OF INCORPORATION OF

BETHEL LUTHERAN HOME, INC.

Know All Men By These Presents: That we, the undersigned, all of whom are residents and citizens of the State of California, have this day voluntarily associated ourselves together for the purpose of forming a corporation under the laws of the State of California, and we here by certify:

First: That the name of the said corporation is and shall be Bethel Lutheran Home, Inc.

Second: That it shall be and is, a non-profit corporation and organization, organized solely for the general charitable and eleemosynary purpose under the Civil Code of the State of California. This corporation is intended to function as a social ministry organization affiliated with the Evangelical Lutheran Church in America.

Third: The place where its principal place of business is to be located and business transacted, shall be the City of Selma, County of Fresno, State of California.

Fourth: The term of existence of such corporation shall be perpetual.

Fifth: The corporation shall consist of the trustees of such corporation and of the members as provided by its by-laws.

Sixth: Upon the dissolution or winding up of the corporation, after paying or adequately providing for the debts and obligations of the corporation, any remaining assets shall be distributed to another Lutheran affiliated or recognized social ministry organization connected with the Evangelical Lutheran Church in Americal.

The organization was formed at a meeting of the members of said church on the eighteenth day of June, 1928, in Selma, California, and was then perfected and agreed on and the officers, trustees herein named, were elected and chosen.

Dated: October 1, 1928

A. P. ANDERSEN
CARL WILHELMSEN
P. M. PETERSEN
A. H. JENSEN-GYDE
JASPER NIELSEN
DAGMAR PETERSEN
J. O. A. JOHANSEN
G. M. LANDROCK

SHEPARD, SHEPARD & JANIAN
1814 E. Front Street
Selma, CA 93662
(209) 896-2111

As amended by the Corporate Body
March 17, 1993

ARTICLES OF INCORPORATION OF

BETHEL LUTHERAN HOME, INC.

Know All Men By These Presents: That we, the undersigned, all of whom are residents and citizens of the State of California, have this day voluntarily associated ourselves together for the purpose of forming a corporation under the laws of the State of California, and we here by certify:

First: That the name of the said corporation is and shall be Bethel Lutheran Home, Inc.

Second: That it shall be and is, a non-profit corporation and organization, organized solely for the general charitable and eleemosynary purpose under the Civil Code of the State of California. This corporation is intended to function as a social ministry organization affiliated with the Evangelical Lutheran Church in America.

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G. M. LANDROCK

SHEPARD, SHEPARD & JANIAN
1814 E. Front Street
Selma, CA 93662
(209) 896-2111

As amended by the Corporate Body
March 17, 1993

EXHIBIT 2

to

Section §999.5(d)(4)

FILED
Secretary of State
State of California
A0853533
Filing Number
03/04/2021
Filing Date

RESTATED ARTICLES OF INCORPORATION
of
BETHEL LUTHERAN HOME, INC.

Philip Benner and Laurel Jacobsen certify that:

1. They are the President and Secretary, respectively, of Bethel Lutheran Home, Inc., a California nonprofit corporation, California Secretary of State number C0131135.

2. The Articles of Incorporation of this Corporation are amended and restated to read as follows:

ARTICLES OF INCORPORATION
of
BETHEL LUTHERAN HOME, INC.

I.

The name of this Corporation is Bethel Lutheran Home, Inc.

II.

A. This Corporation is a religious corporation and is not organized for the private gain of any person. It is organized under the Nonprofit Religious Corporation Law exclusively for religious purposes.

B. The specific purpose of this Corporation is stated in its Mission Statement which reads as follows: "Bethel Lutheran Home is dedicated to serving the physical, emotional, and spiritual needs of each aging person regardless of race, color, sex, religion, age, national origin, or handicap by striving to provide the highest quality facilities, personal care, and programs out of obedience to and love for Christ in order to enhance the dignity, self worth, and purpose of life for each individual who enters the sphere of Bethel's influence."

C. The Corporation is an affiliated Social Ministry Organization of the Sierra Pacific Synod of the Evangelical Lutheran Church of America.

III.

A. This Corporation is organized exclusively for religious purposes within the meaning of Internal Revenue Code §501(c)(3) (or the corresponding section of any future federal internal revenue law). Notwithstanding any other provision of these articles, the Corporation shall not, except to an insubstantial degree, engage in any activities or exercise any powers that are not in furtherance of the purposes of this Corporation, and the Corporation shall not carry on any other activities not permitted to be carried on (a) by a corporation exempt from federal income tax under Internal Revenue Code §501(c)(3) (or the corresponding provision of any future federal internal revenue law), or (b) by a corporation, contributions to which are

deductible under Internal Revenue Code §170(c)(2) (or the corresponding provision of any future federal internal revenue law).

B. No substantial part of the activities of this Corporation shall consist of carrying on propaganda, or otherwise attempting to influence legislation, and the Corporation shall not participate or intervene in any political campaign (including publishing or distribution of statements) on behalf of or in opposition to any candidate for public office.

IV.

The property of this Corporation is irrevocably dedicated to religious purposes and no part of the net income or assets of this Corporation shall ever inure to the benefit of any director, officer, or member thereof, or to the benefit of any private persons. Upon the dissolution or winding up of the Corporation, its assets remaining after payment of, or provision of, all debts and liabilities of this Corporation shall be distributed to a non-profit fund, foundation, or corporation which is organized and operated exclusively for religious purposes, which has established its tax-exempt status under Internal Revenue Code §501(c)(3), satisfies the requirements of California Revenue and Taxation Code §214, and is a Lutheran affiliated or recognized social ministry organization.

3. The foregoing Restated of Articles of Incorporation has been duly approved by the Board of Directors.

4. The foregoing Restated of Articles of Incorporation has been duly approved by the required vote of members.

We further declare under penalty of perjury under the laws of the State of California that the matters set forth in this Restatement are true and correct of our own knowledge.

Dated: July 26, 2020

PHILIP BENNER, President

LAUREL JACOBSEN, Secretary

EXHIBIT 3

to

Section §999.5(d)(4)

BY – LAWS

OF

BETHEL LUTHERAN HOME, INC.

ARTICLE I

NAME AND PRINCIPAL OFFICE

SECTION 1. NAME/PURPOSE: The name of this corporation is BETHEL LUTHERAN HOME, INC., a non-profit corporation ("Corporation") whose purpose is to operate a multi-level senior retirement community, which will maintain affiliation with the "EVANGELICAL LUTHERAN CHURCH IN AMERICA" , ("ELCA").

SECTION 2. PRINCIPAL OFFICE: The principal office of the Corporation is hereby fixed and located in Selma, California. The Board of Directors may fix a different location of the principal office.

SECTION 3. BETHEL LUTHERAN HOME, INC., shall conform with the Internal Revenue Code 501 (c) 3 under which it is granted tax exempt status.

ARTICLE II

MEMBERSHIP

SECTION 1. COMPOSITION: The members of the Corporation shall consist of:

(a) Lutheran congregations located within the San Joaquin Valley of CA, each of which is entitled to designate two lay persons annually to serve as voting delegates of the congregations.

(b) The Pastor of each of the member congregations and thus has voting privileges.

(c) The members of the Board of Directors who have been elected by the members of the Corporation and thus have voting privileges.

SECTION 2. ELECTION AND TERM OF LAY MEMBERS: The lay members of the Corporation referred to in Section 1. (a) of this Article II shall be selected in such manner and shall remain members for such period of time as is determined by each congregation.

SECTION 3. INCREASE OF MEMBERSHIP AND MERGER:

(a) The Board of Directors may at any time increase the number or members in the Corporation.

SECTION 4. MEETINGS OF THE MEMBERSHIP OF THE CORPORATION:

(a) **Place:** The annual meeting of the members of the Corporation shall be held at Selma, California or at any place designated by the Board of Directors.

(b) **Time:** The annual meeting of the members if the Corporation shall be held at a time set by the Board, but not later than May 1, of any given year.

(c) **Quorum:** Fifteen (15) voting delegates shall constitute a quorum to do and transact business.

(d) **Special Meetings of the members of the Corporation:** The Board of Directors may call a special meeting of the members at any time and at any place and for such purposes as the Board may determine.

(e) **Notices:** Notice of the annual meeting of the members of the Corporation shall be given by notice mailed to each member at least ten (10) days prior to the holding of the meetings. Written notice of the time and place of special meetings shall be delivered personally, or sent by mail or by other form of communication, to each member. Notice of special meetings sent by mail should be mailed at least (10) days prior to the holding of the meeting.

All transactions of any meeting of the members, however called and noticed and wherever held, shall be as valid as though a meeting had duly been held after regular call and notice, if a quorum be present and if either before or after the meeting each of the members not present signs a written waiver of notice or a consent to holding such meeting or an approval of the minutes thereof. All such waivers, consents and approvals shall be filed with the corporate records or made a part of the minutes of the meeting.

SECTION 5. AMENDMENTS TO THE ARTICLES OF INCORPORATION:

(a) Amendments to the Articles must be presented to the Board of Directors at least two (2) regular meetings prior to the annual meeting or to a special meeting of the Corporation called under the provisions of the Article II, Section 4.

(b) Amendments to the articles must be sent to the voting delegates at at least ten (10) days prior to the annual or special meeting.

(c) Amendments to the Articles must be approved by a majority vote of delegates present at the annual or special meeting of the Corporation.

ARTICLE III

BOARD OF DIRECTORS

SECTION 1. COMPOSITION: The Board of Directors shall consist of nine (9) members. The number of Directors may be changed by the amendment process

established under Article IX. A majority of the Board of Directors shall be members of the Lutheran congregations.

SECTION 2. ELECTION AND TERM OF OFFICE: The churches will be asked to propose nominees to serve as Directors. The Personnel Committee of the Board reviews nominees to determine the most qualified for service in accordance with the guidelines outlined in the "Board Candidate Procedure" document and the "Role of the Board Member" document. The recommendations of the Personnel Committee are submitted to the Board of Directors for approval. The nominees most qualified for service shall be affirmed by voting delegates of the Corporation at each Annual Meeting. No nominations will be accepted from the floor. Any nominee who will be considered as a Director must have completed the pre-selection process. If names of nominees for consideration as Directors are not submitted to the Board within the timeline set by the "Board Candidate Procedure" Document, the Board is authorized to appoint a Director qualified for a one-year term.

Four (4) Directors shall be affirmed at every Annual Meeting, except every third year when three (3) shall be affirmed. Each Director shall hold office for a three-year term. Each Director is eligible for three (3) consecutive terms.

SECTION 3. QUORUM: A majority of the Directors shall constitute a quorum to do and transact business.

SECTION 4. VACANCIES: Any vacancy on the Board resulting from any cause shall be filled by appointment by the remaining Directors then in office (even though less than a quorum). Such appointed Director shall hold office until the next annual meeting, at which time a successor shall be elected to fill that unexpired term.

SECTION 5. TERMINATION OF A DIRECTOR: A member of the Board of Directors may be terminated from the Board by a majority vote of the Board of Directors due to, but not limited to, any or all of the following:

(a) Absenteeism: Three (3) consecutive, unexcused absences from Board meetings.

(b) Failure to adhere to the "Board Member Code of Ethics" which are outlined in a separate document and adopted by the Board as criteria for service.

(c) Acting individually outside the direction and authority of the Board of Directors as a unit.

(d) Failure to maintain confidentiality of information as outlined by the Health Insurance Portability &Accountability Act Law and Board Policy/Protocol

SECTION 6. POWERS OF THE BOARD OF DIRECTORS: Subject to the powers of the members as provided by law, Articles of Incorporation, or as herein set forth, all corporate powers of the Corporation shall be controlled by the Board of Directors. Without limiting the generality of the foregoing, the Board of Directors shall have the following powers:

(a) To select and remove an Administrator of the Corporation, all other officers, agents and employees of the Corporation. To prescribe such powers and duties for them as is consistent with law, with the Articles of

Incorporation or the By-Laws, as they may deem best.

(b) To conduct, manage and control the affairs and business of the Corporation and to make such rules and regulations therefore consistent with law, Articles of Incorporation or By-Laws.

(c) To borrow money and incur indebtedness for the proposes of the Corporation and to cause to be executed and delivered therefore in the corporate name, promissory notes, bonds, debentures, deeds of trust, mortgages, pledges, hypothecations or other evidence of debt and securities therefore.

(d) To change the principal office for the transaction of the business of the Corporation from one location to another within the same County, to designate any place within or without the State of California for the holding of any Directors' or members' meetings; and to adopt, make and use a corporate seal and to alter the form thereof from time to time as in their judgment they may deem best.

(e) To perform and conduct and manage such other activities and business that are consistent with the purposes and beneficial to the interest of the Corporation.

SECTION 7. MEETINGS:

(a) **Place:** The meetings of the Board shall be held at the principal office

of the Corporation or at any place within or without the State of California which has been designated from time to time by resolution of the Board or written consent of all members of the Board.

(b) **Regular Meetings:** The meeting following the adjournment of the Annual meeting of the Corporation, the Board of Directors shall hold a regular meeting for the purpose of organization, election of officers and transaction of such other business as may come before it. All other regular meetings of the Board shall be held monthly, unless deemed otherwise by a majority vote of the Executive Committee of the Board.

(c) **Notices:** Notice is necessary for the regular monthly meeting of the Board and shall be given personally or by mail at least three days prior to the date of the monthly meeting. Notice for special meetings shall be delivered personally, or sent by mail or by other form of communication to each Director. If sent by mail, the notice shall be mailed at least three (3) days prior to the holding of such meeting.

(d) **Special Meetings:** The Board of Directors may call a special meeting of the Board for any purpose at any place and at any time. Such special meetings may be called by the President, or by a members of the Executive Committee.

ARTICLE IV

OFFICERS

SECTION 1. OFFICERS: The officers of the Corporation shall be the President, Vice-President, Secretary and Treasurer and such other officers as the Board of Directors may appoint.

SECTION 2. ELECTION OF OFFICERS: The President, Vice-President, Secretary, Treasurer, and other officer's of the Corporation shall be elected by the members of the Board of Directors at its annual organizational meeting and for a term of two (2) years each. The President and Secretary are to be elected at the annual meeting held on the even years, and the Vice-President and Treasurer are to be elected at the annual meeting held on the odd years.

SECTION 3. THE PRESIDENT: The President shall be elected from the members of the Board of Directors. The President shall preside at all meetings of the Corporation and Board of Directors. The President shall exercise such powers and duties as devolve upon the office of a President and such other powers and duties as may be prescribed from time to time by the Board.

SECTION 4. THE VICE-PRESIDENT: The Vice-President shall be elected from the members of the Board of Directors. In the absence or incapacity of the President, the Vice-President shall preside at the meetings of the Corporation and the Board and perform such duties and exercise such powers as are prescribed by the Board or inherent in the office.

SECTION 5. THE SECRETARY: The Secretary shall be elected from the members

of the Board of Directors. The Secretary shall keep a full and complete record of the proceedings of the Board of Directors, shall affix the seal of the Corporation to such papers and instruments as may be required in the regular course of business. The seal of the Corporation shall be kept in the Corporate Office.

The Secretary shall make service of such notices as may be necessary and proper, and shall discharge such other duties as pertain to the office or are prescribed by the Board of Directors.

SECTION 6. THE TREASURER: The Treasurer shall be elected from the members of the Board of Directors and shall be bonded for at least TEN THOUSAND DOLLARS ($10,000.00) unless said bond be dispensed with, decreased or increased at the discretion of Board. The Treasurer shall also perform such duties as pertain to the office or are prescribed by the Board of Directors.

THE EXECUTIVE DIRECTOR/ADMINISTRATOR

SECTION 7. THE ADMINISTRATOR: An Executive Director/Administrator shall be appointed by the Board of Directors and shall hold office at the pleasure of the Board. The Executive Director/Administrator shall receive a compensation in such amount as may be prescribed by the Board. The Executive Director/Administrator shall be in charge of the general management of the Corporation and such other related functions in connection with the operation of the Corporation and perform such other duties as may be determined by the Board. The Executive Director/Administrator shall make a monthly report of the state of affairs of the Corporation to the Board and make necessary recommendations for the efficient and better management of the Corporation. The Executive Director/Administrator shall be

evaluated annually by the Board of Directors on a date set by the Board.

ARTICLE V

EXECUTIVE COMMITTEE

SECTION 1. MEMBERSHIP: The President, Vice-President, Secretary and Treasurer of the Corporation shall constitute the membership of the Executive Committee of the Board of Directors.

SECTION 2. POWERS: Except as otherwise provided by the law, during the intervals between the meetings of the Board of Directors, the Executive Committee may exercise all the powers of the Board of Directors in the management of the business and affairs of the Corporation except as such powers may be limited by action of the Board

SECTION 3. MEETINGS: The Executive Committee shall meet from time to time on call of the President at such place as he/she may designate. Notice thereof shall be given to each member by mail addressed to him/her at least twenty-four(24) hours before the time set for the meeting or given to him/her personally, by telephone or by electronic communication, at least four (4) hours before such meeting. No notice need be given to any member thereof who attends in person or who in writing either before or after the meeting waives such notice. The Executive Committee may fix its own rules of procedure. It shall keep a record of its proceedings and shall report these proceedings to the Board of Directors at the next regular meeting held after such action has been taken.

SECTON 4. QUORUM: A majority of the members of the Executive Committee shall constitute a quorum for the transaction of business at any meeting of the Executive Committee.

ARTICLE VI

RESIDENCY WITHIN BETHEL LUTHERAN HOME

SECTION 1. The Board of Directors shall prescribe the policies for the admission and residency in the Home.

ARTICLE VII

ACCOUNTING – DEPOSITORIES – RECORDS

SECTION 1. The Board of Directors shall hire an Independent Accounting Service which meets the requirement of the appropriate division of the ELCA. A Quarterly Financial Review Report will be presented by the Independent Accountant to the Board at the end of each quarter of operation. In addition, at the end of each fiscal year, an annual Review Level Audit prepared in accordance with the American Institute of Certified Public Accountants Audits and Accounting Guide for Health Care Organizations as of June 1, 1996, will be presented by the Independent Accountant to the Board.

SECTION 2. The funds of the Corporation shall be deposited in such bank or banks as the Board shall determine, and remittances or withdrawals made by checks drawn on said bank or banks by the officers of the Corporation, or in such other manner as may be

prescribed by the Board of Directors.

SECTION 3. The Corporation shall be fully responsible for the management and fiscal affairs of the Corporation and fully responsible for any debts and liabilities incurred.

SECTION 4. Affiliation of Bethel Lutheran Home with the ELCA shall not cause ELCA congregations to incur or be subject to the liabilities or debt of the Corporation.

ARTICLE VIII

POWERS

SECTION 1. Should the Corporation by operation of law, or otherwise, cease to exist, all property and funds remaining after the payment of its obligations shall "not inure to the benefit of any private person or individual but shall be distributed to another Lutheran affiliated or recognized social ministry organization."

ARTICLE IX

CHANGE OF BY-LAWS

SECTION 1. These By-Laws may be amended or repealed or added to, only by the vote of, or written consent of, the majority of the members of the Corporation in attendance at its Annual Meeting or at a special meeting called for that purpose.

SECTION 2. Any proposed changes to governing documents that relate to affiliation with the ELCA, will be submitted for review to the ELCA Division for Church in Society and to the Sierra Pacific Synod. This shall be done prior to the Annual Meeting

of the Corporation and on a timely basis so that the Board of Directors can finalize, for presentation, any proposed changes.

SIGNATURE PAGE

I, Laurel Jacobsen, do hereby certify that I am duly elected, qualified and
(Print Name)
acting Secretary of **BETHEL LUTHERAN HOME, INC.**, a California, non-profit corporation, and that the attached and foregoing is a true and correct copy of the By-Laws as adopted at the Annual Corporation Meeting held at Selma, California, on the 19th Day of April 2015.
(Date)

IN WITNESS WHEREOF, I hereunto sign my name as Secretary of this Corporation on the May 21 2015.
(Date)

Laurel Jacobsen
Secretary

Title 11. California Code of Regulations, § 995.5(d)(5)

Impacts on Health Care Services

(A) *Community Needs Assessments.* The Applicant owns and operates a skilled nursing facility, assisted living facility, and independent living facility under the regulatory jurisdiction of the California Department of Social Services, the California Department of Public Health, the California Department of Health Care Services, and the United States Department of Health and Human Services. As a result, the Applicant is currently governed by the statutes and regulations applicable to RCFEs and SNFs, and the Medicare and Medi-Cal laws. None of these laws require an RCFE or SNF to complete a community needs assessment and the Applicant has not done so.

Title 11l. California Code of Regulations, § 999.5(d)(5)(B)

A description of all charity care provided in the last five years by each health facility that is a subject of the agreement or transaction

Applicant has not provided charity care in the last five years and does not have a charitable care policy nor application.

Title 11, California Code of Regulations, § 999.5(d)(5)(C)

A description of all services provided by each health facility that is the subject of the transaction in the past five years to Medi-Cal patients, county indigent patients, and other classes of patients

Applicant's skilled nursing facility offers skilled nursing services, physical therapy, occupational therapy, and speech therapy.

For further information, please see the table below that details services provided by Applicant's skilled nursing facility by payor for the last five years, fiscal year ending 2024.

	Medi-Cal	Medicare	Private	Total
FY20	87.61823		12.38177	100%
FY21	88.30778		11.69222	100%
FY22	81.79798	2.232323	15.9697	100%
FY23	77.01895	6.592501	16.38855	100%
FY24	82.63972	7.160679	10.1996	100%

Title 11. California Code of Regulations. § 999.5(d)(5)(D)

A description of any community benefit program provided by the health facilities that are the subject of the agreement or transaction during the past five years with an annual cost of at least $10,000 and the annual cost of each program for the past five years

Applicant does not have any community benefit program within the past five years with an annual cost of at least $10,000.

Title 11, California Code of Regulations, §999.5(d)(5)(E)

For each health facility that is the subject of the agreement or transaction, a description of the current policies and procedures regarding staffing for patient care areas; employee input on health quality and staffing issues; and employee wages, salaries, benefits, working conditions and employment protections

Staffing for Patient Care Areas

BETHEL has established policies and procedures to ensure that its patient care teams provide care to patients that is appropriate, individualized, and planned in accordance with the skilled nursing setting. The skilled nursing facility has a staffing plan, which is reviewed at least annually based on a variety of criteria, such as mandated staffing ratios and patient acuity. These policies also give BETHEL's staff and other healthcare providers the opportunity to provide input on health quality and staffing issues through such mechanisms as department leadership meetings and staff meetings.

These policies are:

- Delegation of Administrative Responsibility (Attached hereto as Exhibit 1 Delegation of Authority; Exhibit 2 Administrator; Exhibits 3 to 28 – Job Descriptions.)
- Delegation of Responsibility for Nursing Services (Attached hereto as Exhibit 29 – Departmental Supervision, Nursing; Exhibits 3 to 28 – Job Descriptions.)
- Licensing Qualifications of Staff (Attached hereto as Exhibit 30 – Licensure, Certification, and Registration of Personnel; Exhibits 3 to 28 – Job Descriptions.)
- Quality Assurance (Attached hereto as Exhibit 31 – Quality Assurance and Performance Improvement Program; Exhibit 32 – Health Inspections; Exhibit 33 – Quality Measures; and Exhibit 34 - Staffing.)
- Resident Care (Attached hereto as Exhibit 32– Health Inspections; Exhibit 33 – Quality Measures; Exhibit 34 – Staffing; Exhibit 35 – Labor Turnover; and Exhibit 36– Resident Rights; Exhibit 37 – Dignity.)

Employee Wages, Salaries, Benefits, Working Conditions, and Employment Protections

BETHEL has the following established human resource policies and procedures that address employee wages, salaries, benefits, working conditions and employment protections:

- Disaster Planning (Attached hereto as Exhibit 38 - Activation of Emergency Management Plan.)
- OSHA Reporting (Attached hereto as Exhibit 39 - OSHA Forms 300, 300A and 301.)
- Personnel (Attached hereto as Exhibit 40 - Personnel Records; Exhibit E41 – Injuries (On-the-Job).)
- Code of Conduct (Attached hereto as Exhibit 42 - Conduct and Behavior.)
- Disciplinary Action (Attached hereto as Exhibit 43.)
- Employee Grievance (Attached hereto as Exhibit 44 - Grievance Procedures, Personnel.)
- Harassment (Attached hereto as Exhibit 45 - Antiharassment.)
- Employee Handbook (Attached hereto as Exhibit 46.)
- Employee Wages and Salaries (Attached hereto as Exhibit 47 - Payroll Records for Each Employee. This document will be submitted under separate cover as a confidential document in accordance with Section 999.5(c)(3).)
- Employee Benefits (Attached hereto as Exhibit 48 – Blue Shield of California Summary of Benefits Silver Tandem PPO; Exhibit 49 – Blue Shield of California Summary of Benefits Silver Full PPO; Exhibit 50 – Blue Shield of California Summary of Benefits Gold Tandem PPO; Exhibit 51 – Blue Shield of California Summary of Benefits Gold Full PPO; Exhibit 52 – Kaiser Permanente Silver HMO; Exhibit 53 – Kaiser Permanente Platinum HMO; Exhibit 54 – Beam Dental Quote; Exhibit 55 – Beam Vision Quote; Exhibit 56 – Wishbone Pet Insurance; Exhibit 57 – Section 125 Premium Plan; Exhibit 58 – Bethel Employee Enrollment Census - this document will be submitted under separate cover as a confidential document in accordance with Section 999.5(c)(3).)

EXHIBIT 1

to

Section §999.5(d)(5)(E)

Delegation of Authority

Policy Statement

The administrator may delegate authority to department directors or individuals during situations in which the Administrator is unable to assume responsibility for the facility.

Policy Interpretation and Implementation

1. The administrator may delegate the authority of implementing all policies and procedures and of supervising departments to designated personnel.
2. Delegation of authority is made in writing, signed and dated, by both the designated employee(s) and the administrator, and will remain in effect until it is rescinded by the administrator or the governing body.

References	
OBRA Regulatory Reference Numbers	
Survey Tag Numbers	
Other References	
Related Documents	
Version	1.2 (H5MAPL0177)

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EXHIBIT 2

to

Section §999.5(d)(5)(E)

Administrator

Policy Statement

A licensed administrator is responsible for the day-to-day functions of the facility.

Policy Interpretation and Implementation

1. The governing board of this facility has appointed an administrator who is duly licensed in accordance with current federal and state requirements. The administrator is responsible for, but not limited to:
   a. managing the day-to-day functions of the facility;
   b. ensuring that public information describing our services is accurate, fully descriptive, and is readily available upon request;
   c. ensuring that each resident's right to fair and equitable treatment, self-determination, individuality, privacy, confidentiality of information, property, and civil rights, including the right to lodge a complaint, are strictly enforced;
   d. implementing established resident care policies, personnel policies, safety and security policies, and other operational policies and procedures necessary to remain in compliance with current laws, regulations, and guidelines governing long-term care facilities;
   e. serving as liaison to the governing board, medical staff, and other professional and supervisory staff;
   f. evaluating and implementing recommendations from the facility's committees (i.e., quality assurance and performance improvement, security, etc.);
   g. ensuring that an adequate number of personnel are employed to meet resident needs as determined by the MDS;
   h. ensuring that the facility admits only those residents for whom it can provide adequate care; and
   i. maintaining his/her license on a current status as required by law, and maintaining a copy of such license or registration on premises.
2. In the absence of the administrator, the assistant administrator or director of nursing services is authorized to act in the administrator's behalf. Should both the administrator and the assistant administrator or director of nursing services be absent, the chain of command as established by this facility shall be followed.
3. A complete outline of the administrator's duties and responsibilities is contained in his/her job description.

References	
OBRA Regulatory Reference Numbers	§483.70(d) Governing body.
Survey Tag Numbers	F837
Other References	
Related Documents	Organizational Chart - Chain of Command Job Descriptions Policies
Version	1.2 (H5MAPL0030)

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EXHIBIT 3

to

Section §999.5(d)(5)(E)

Job Description – Director of Nursing (DON)

Bethel Lutheran Home is an equal opportunity employer and welcomes applications from all qualified candidates. We are committed to creating a diverse and inclusive work environment. If you are a dedicated and compassionate DON looking to make a meaningful difference in the lives of our residents, we encourage you to apply.

Position Summary:

The Director of Nursing (DON) is responsible for overseeing the daily operations of the nursing department within the skilled nursing facility. This leadership role requires the DON to ensure the highest level of care is provided to residents in accordance with regulatory standards and organizational policies. The DON will collaborate with other healthcare professionals, staff, and management to develop and implement strategies to improve care quality, operational efficiency, and regulatory compliance.

Key Responsibilities:

1. **Leadership and Management**:
    - Oversee the day-to-day operations of the nursing department.
    - Supervise, mentor, and evaluate nursing staff, including RNs, LPNs, and CNAs.
    - Foster a positive and professional work environment, promoting teamwork and accountability.
    - Participate in the recruitment, selection, and retention of nursing staff.
    - Conduct performance evaluations and provide ongoing education and development opportunities.
2. **Quality Care Management**:
    - Ensure high-quality, patient-centered care is delivered in compliance with local, state, and federal regulations.
    - Develop, implement, and evaluate nursing care plans to ensure appropriate care for residents.
    - Conduct regular assessments of resident needs and collaborate with interdisciplinary teams to adjust care plans as needed.
    - Monitor and address resident outcomes and quality measures to drive improvements in care.
    - Conduct regular rounds to ensure compliance with care standards and regulatory guidelines.
3. **Regulatory Compliance**:
    - Ensure adherence to all regulatory requirements, including those set by state, federal, and accreditation bodies.
    - Prepare the nursing department for state and federal surveys, ensuring all areas meet compliance standards.
    - Respond to deficiencies or concerns identified in surveys, audits, or inspections by creating and implementing corrective action plans.

4. **Budgeting and Financial Management:**
    - Develop and manage the nursing department's budget, ensuring cost-effective use of resources.
    - Oversee staffing levels to maintain adequate resident care while adhering to budget constraints.
    - Ensure proper documentation of care to support reimbursement processes.
5. **Policy and Procedure Development:**
    - Develop, implement, and maintain nursing department policies and procedures to ensure consistency and quality in care delivery.
    - Stay updated on industry trends, best practices, and changes in healthcare regulations to keep policies current.
    - Provide training and education on policies, procedures, and standards of care to nursing staff.
6. **Collaboration and Communication:**
    - Serve as a liaison between the nursing department and other departments within the facility.
    - Participate in interdisciplinary meetings to develop comprehensive care plans for residents.
    - Communicate effectively with residents, families, and staff regarding care issues and facility goals.
    - Address and resolve resident and family concerns in a timely and compassionate manner.

Qualifications:

- **Education:** Bachelor's or Master's Degree in Nursing (BSN or MSN) from an accredited institution.
- **Licensure:** Current and valid Registered Nurse (RN) license in CA.
- **Experience:** Minimum of 5 years of nursing experience, with at least 2 years in a leadership role within a skilled nursing or long-term care facility.
- **Certifications:** Basic Life Support (BLS), Advanced Cardiovascular Life Support (ACLS) preferred.

Skills and Competencies:

- Strong leadership and managerial skills.
- Excellent communication and interpersonal skills.
- In-depth knowledge of nursing care standards, regulatory requirements, and quality improvement strategies.
- Ability to handle stressful situations and respond to emergencies effectively.
- Strong organizational and time management skills.

Acknowledgment

I have read this job description and fully understand the requirements set forth therein. I hereby accept the position of Director of Nursing and agree to abide by the requirements set forth and will perform all duties and responsibilities to the best of my ability. I understand that as a result of my employment, I may be exposed to the TB, MRSA, AIDS and Hepatitis B Viruses and that the facility will make available to me, free of charge, the Hepatitis B vaccination.

I further understand that my employment is at-will, and thereby understand that my employment may be terminated at-will by the facility or myself and that such notice can be made with or without notice.

_____ _____

Employee Printed Name **Date**

_____

Employee Signature

EXHIBIT 4

to

Section §999.5(d)(5)(E)

Job Description – Social Services Director (SSD)

Bethel Lutheran Home is an equal opportunity employer and welcomes applications from all qualified candidates. We are committed to creating a diverse and inclusive work environment. If you are a dedicated and compassionate Social Services Director looking to make a meaningful difference in the lives of our residents, we encourage you to apply.

Position Summary:

The Social Services Director at Bethel Lutheran Home will oversee and coordinate social services programs to enhance the quality of life and well-being of our residents. This role involves providing comprehensive support to residents and their families, addressing psychosocial needs, facilitating discharge planning, and ensuring compliance with regulatory standards. The ideal candidate will possess strong leadership abilities, excellent communication skills, and a deep commitment to resident-centered care.

Key Responsibilities:

- **Resident Support and Advocacy:**
  - Conduct psychosocial assessments to identify residents' needs, preferences, and goals.
  - Develop, implement, and regularly update individualized care plans in collaboration with the healthcare team.
  - Provide counseling and support to residents and their families, addressing emotional, social, and adjustment issues.
  - Advocate for residents' rights and ensure their needs are met in a compassionate and timely manner.
- **Discharge Planning:**
  - Coordinate discharge planning activities to ensure a smooth and safe transition for residents returning home or to another care setting.
  - Collaborate with residents, families, healthcare providers, and community resources to develop comprehensive discharge plans.
  - Arrange for necessary services, equipment, and follow-up care to support residents post-discharge.
- **Community and Family Engagement:**
  - Serve as a liaison between the facility, residents, families, and community resources.
  - Facilitate family meetings and care conferences to discuss residents' progress and care plans.
  - Provide education and resources to residents and families on available community services, benefits, and support networks.
- **Regulatory Compliance and Documentation:**
  - Ensure all social services practices comply with state and federal regulations, as well as facility policies.
  - Maintain accurate and up-to-date documentation of social services assessments, interventions, and outcomes in residents' medical records.

- Participate in regulatory surveys and inspections, preparing necessary documentation and reports.

- **Team Collaboration and Leadership:**
  - Lead and supervise the social services team, providing guidance, support, and professional development opportunities.
  - Collaborate with interdisciplinary team members to promote holistic and integrated care for residents.
  - Participate in staff meetings, in-service training, and quality improvement initiatives.
- **Program Development and Implementation:**
  - Develop and implement social services programs and activities that promote residents' psychosocial well-being and quality of life.
  - Evaluate the effectiveness of social services programs and make adjustments as needed to meet residents' needs and preferences.
  - Other Duties as Assigned.

Qualifications:

- **Education:**
  - Bachelor's degree in Social Work, Psychology, or a related field preferred.
  - Associates Degree Required
- **Licensure/Certification:**
  - Current Social Work license in the state of CA preferred.
  - Certification as a Certified Social Work Case Manager (C-SWCM) or Certified Advanced Social Work Case Manager (C-ASWCM) preferred.
- **Experience:**
  - Minimum of 3-5 years of experience in social work, preferably in a healthcare or long-term care setting.
  - Previous experience in a leadership or supervisory role preferred.
  - Knowledge of geriatric care, psychosocial issues, and discharge planning.
- **Skills and Abilities:**
  - Strong leadership and team management skills.
  - Excellent communication, interpersonal, and organizational skills.
  - Ability to handle sensitive and confidential information with discretion.
  - Proficiency in electronic health records (EHR) systems and documentation.

Acknowledgment

I have read this job description and fully understand the requirements set forth therein. I hereby accept the position of Social Services Director and agree to abide by the requirements set forth and will perform all duties and responsibilities to the best of my ability. I understand that as a result of my employment, I may be exposed to the TB, MRSA, AIDS and Hepatitis B Viruses and that the facility will make available to me, free of charge, the Hepatitis B vaccination.

I further understand that my employment is at-will, and thereby understand that my employment may be terminated at-will by the facility or myself and that such notice can be made with or without notice.

_____ _____

Employee Printed Name **Date**

_____

Employee Signature

EXHIBIT 5

to

Section §999.5(d)(5)(E)

Job Description – Human Resources Manager

Bethel Lutheran Home is an equal opportunity employer and welcomes applications from all qualified candidates. We are committed to creating a diverse and inclusive work environment. If you are a dedicated and compassionate HR Manager looking to make a meaningful difference in the lives of our residents, we encourage you to apply.

Position Summary

The HR Manager for Bethel Lutheran Home is responsible for managing all human resources functions to support the facility's operations, staff, and patient care goals. This role involves recruiting and retaining top talent, ensuring compliance with healthcare regulations, fostering a positive work environment, and maintaining efficient HR systems. The HR Manager serves as a strategic partner to the leadership team and a trusted resource for employees.

Key Responsibilities:

1. Recruitment and Staffing:

- Develop and execute recruitment strategies to attract qualified clinical and non-clinical staff.
- Oversee the hiring process, including job postings, interviews, and onboarding.
- Maintain staffing levels in compliance with state and federal regulations for skilled nursing facilities.

2. Employee Relations:

- Serve as the primary point of contact for employee concerns and grievances, ensuring timely resolution.
- Promote a positive workplace culture aligned with the facility's mission and values.
- Foster open communication between employees and management.

3. Compliance and Reporting:

- Ensure compliance with labor laws, healthcare regulations, and accreditation standards.
- Maintain accurate employee records, including licensure, certifications, and training.
- Prepare and submit reports required by regulatory bodies.

4. Training and Development:

- Design and implement orientation programs for new hires.
- Coordinate ongoing training to meet regulatory requirements and professional development goals.
- Evaluate training effectiveness and recommend improvements.

5. Compensation and Benefits:

- Administer payroll, benefits, and compensation programs.
- Ensure equitable pay practices and address employee inquiries related to benefits.
- Review and recommend updates to benefit packages and HR policies.

6. Performance Management:

- Develop and oversee performance evaluation processes.
- Guide managers in setting employee goals and conducting reviews.
- Implement corrective action plans and disciplinary measures when necessary.

7. Workplace Safety:

- Collaborate with leadership to maintain a safe working environment.
- Oversee employee health and safety programs, including injury prevention and response.
- Conduct regular reviews to ensure compliance with OSHA and related standards.

Qualifications:

- Education: Bachelor's degree in Human Resources, Healthcare Administration, or related field (Master's preferred).
- Experience: 3-5 years of HR experience in healthcare, skilled nursing, or long-term care.
- Knowledge: Familiarity with healthcare regulations (e.g., HIPAA, FMLA, ADA, and state-specific laws).
- Skills: Strong interpersonal, organizational, and problem-solving skills. Proficiency in HR software and Microsoft Office Suite.

Key Competencies:

- Ability to balance regulatory compliance with staff engagement and satisfaction.
- Strategic thinker with the ability to implement practical HR solutions.
- Excellent communication skills and cultural sensitivity in a diverse workforce.

Working Conditions:

- Primarily office-based with occasional facility walk-throughs and training sessions.
- May require flexibility to address urgent staffing or HR issues.

Acknowledgment

I have read this job description and fully understand the requirements set forth therein. I hereby accept the position of HR Manager and agree to abide by the requirements set forth and will perform all duties and responsibilities to the best of my ability. I understand that as a result of my employment, I may be exposed to the TB, MRSA, AIDS and Hepatitis B Viruses and that the facility will make available to me, free of charge, the Hepatitis B vaccination.

I further understand that my employment is at-will, and thereby understand that my employment may be terminated at-will by the facility or myself and that such notice can be made with or without notice.

_____ _____

Employee Printed Name **Date**

_____

Employee Signature

EXHIBIT 6

to

Section §999.5(d)(5)(E)

Job Description – Business Office Manager

Bethel Lutheran Home is an equal opportunity employer and welcomes applications from all qualified candidates. We are committed to creating a diverse and inclusive work environment. If you are a dedicated and compassionate Business Office Manager looking to make a meaningful difference in the lives of our residents, we encourage you to apply.

Position Summary

The Business Office Manager is a key leadership role within Bethel Lutheran Home, responsible for overseeing the administrative, financial, and operational functions of the business office. This includes managing billing, accounts receivable, accounts payable, payroll, and resident financial services to ensure compliance with state, federal, and facility regulations.

Key Responsibilities

Financial Management

- Oversee the billing process, including Medicare, Medicaid, private pay, and other insurance claims.
- Manage accounts receivable to ensure timely collection and accuracy.
- Handle accounts payable and maintain accurate financial records.
- Prepare and analyze monthly financial reports, identifying areas for improvement.

Resident Financial Services

- Coordinate resident trust funds, ensuring compliance with regulations.
- Assist residents and families with financial inquiries and payment plans.
- Maintain accurate and confidential financial records for residents.

Payroll and Human Resources Support

- Process and verify employee payroll, ensuring accuracy and compliance with labor laws.
- Support the human resources department with administrative tasks, such as onboarding documentation.

Compliance and Regulatory Adherence

- Ensure adherence to federal, state, and local regulations related to financial operations and resident care funding.
- Assist with audits and surveys related to the business office operations.

Team Collaboration and Leadership

- Supervise and support the business office staff, providing training and performance feedback.

- Collaborate with clinical and administrative teams to address operational challenges.

Qualifications

- **Education:** Bachelor's degree in Business Administration, Accounting, or a related field preferred. Equivalent experience may be considered.
- **Experience:**
    - Minimum 2-3 years of experience in business office management within a healthcare or skilled nursing facility setting.
    - Knowledge of Medicare, Medicaid, and insurance billing processes.
    - Experience with financial management systems and electronic health records (EHR) software.
- **Skills:**
    - Strong organizational and time management skills.
    - Excellent communication and interpersonal abilities.
    - Proficiency in Microsoft Office Suite (Word, Excel, Outlook).
    - Analytical and problem-solving skills.

Physical Requirements

- Ability to sit for extended periods and perform data entry.
- Occasionally lift or move office supplies up to 25 pounds.
- Ability to work in a fast-paced environment with frequent interruptions.

Work Environment

- This position is primarily based in an office within a skilled nursing facility. The role may involve interaction with residents, families, and regulatory officials.

Acknowledgment

I have read this job description and fully understand the requirements set forth therein. I hereby accept the position of Business Office Manager and agree to abide by the requirements set forth and will perform all duties and responsibilities to the best of my ability. I understand that as a result of my employment, I may be exposed to the TB, MRSA, AIDS and Hepatitis B Viruses and that the facility will make available to me, free of charge, the Hepatitis B vaccination.
I further understand that my employment is at-will, and thereby understand that my employment may be terminated at-will by the facility or myself and that such notice can be made with or without notice.

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Employee Printed Name **Date**

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Employee Signature

EXHIBIT 7

to

Section §999.5(d)(5)(E)

Job Description – Administrator

Bethel Lutheran Home is an equal opportunity employer and welcomes applications from all qualified candidates. We are committed to creating a diverse and inclusive work environment. If you are a dedicated and compassionate Administrator looking to make a meaningful difference in the lives of our residents, we encourage you to apply.

Position Summary:

The Administrator of Bethel Lutheran Home oversees the overall operations, administration, and management of the facility. This leadership role ensures compliance with federal, state, and local regulations, promotes high-quality care for residents, and fosters a positive environment for staff, residents, and families.

Key Responsibilities

1. **Leadership and Management:**
    - Provide strategic direction and leadership to staff and department heads.
    - Ensure the facility operates efficiently and effectively while maintaining a high standard of care.
    - Oversee recruitment, training, and evaluation of staff to ensure the team meets organizational and regulatory standards.
2. **Compliance and Quality Assurance:**
    - Maintain compliance with all federal, state, and local regulations, including those outlined by the Centers for Medicare & Medicaid Services (CMS) and state licensing agencies.
    - Develop, implement, and monitor quality assurance programs to improve resident outcomes and satisfaction.
    - Conduct regular audits and inspections to ensure compliance with policies and procedures.
3. **Resident Care:**
    - Ensure that residents receive the highest standard of care, with a focus on dignity, comfort, and safety.
    - Collaborate with medical staff, caregivers, and families to address resident needs and concerns.
    - Promote programs and activities that enhance the quality of life for residents.

4. **Financial Oversight:**
    - Develop and manage the facility's budget, ensuring fiscal responsibility.
    - Monitor financial performance and implement cost-effective measures while maintaining quality care.
    - Oversee billing, reimbursement processes, and accounts receivable to ensure timely payments.
5. **Community Relations:**
    - Serve as the public face of the facility, fostering positive relationships with families, healthcare professionals, and the community.
    - Respond to concerns, complaints, and inquiries from residents and their families.
    - Promote the facility through outreach, events, and partnerships with local organizations.
6. **Emergency Management:**
    - Develop and oversee emergency preparedness plans, ensuring the safety of residents and staff.
    - Respond effectively to crises, including medical emergencies, natural disasters, or compliance-related issues.

Qualifications

- **Education:** Bachelor's degree in healthcare administration, business administration, or a related field (Master's degree preferred).
- **Licensure:** Current state licensure as a Nursing Home Administrator (NHA/ATI).
- **Experience:** Minimum of 3-5 years in a leadership role within a skilled nursing or long-term care facility.
- **Skills:**
    - Strong leadership, communication, and interpersonal skills.
    - Expertise in regulatory compliance, financial management, and quality improvement.
    - Ability to make data-driven decisions and solve complex problems.

Working Conditions

- Full-time role with occasional evening, weekend, or on-call responsibilities.
- Requires ability to work in a fast-paced healthcare environment.

Acknowledgment

I have read this job description and fully understand the requirements set forth therein. I hereby accept the position of Administrator and agree to abide by the requirements set forth and will perform all duties and responsibilities to the best of my ability. I understand that as a result of my employment, I may be exposed to the TB, MRSA, AIDS and Hepatitis B Viruses and that the facility will make available to me, free of charge, the Hepatitis B vaccination.

I further understand that my employment is at-will, and thereby understand that my employment may be terminated at-will by the facility or myself and that such notice can be made with or without notice.

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Employee Printed Name **Date**

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Employee Signature

EXHIBIT 8

to

Section §999.5(d)(5)(E)

Job Description – Village Services Coordinator

The Village at Bethel Lutheran Home is an equal opportunity employer and welcomes applications from all qualified candidates. We are committed to creating a diverse and inclusive work environment. If you are a dedicated and compassionate Service Coordinator looking to make a meaningful difference in the lives of our residents, we encourage you to apply.

Position Summary

The Services Coordinator is responsible for planning, coordinating, and overseeing services and programs that enhance the quality of life for residents in The Village independent living facility. This role involves acting as a liaison between residents and service providers, ensuring that the facility meets the needs of its residents while promoting an active, engaged, and supportive community environment.

Key Responsibilities

Resident Support

- Act as the primary point of contact for residents seeking assistance with services, programs, or resources.
- Assess residents' needs and connect them with appropriate internal or external services, including transportation, healthcare, housekeeping, and recreational activities.
- Monitor resident satisfaction and address any concerns or issues promptly.

Service Coordination

- Develop and maintain relationships with external service providers (e.g., medical, social, and recreational).
- Schedule and coordinate services, ensuring timely and efficient delivery.
- Manage vendor agreements and evaluate the quality of services provided.

Program Development

- Design, implement, and oversee wellness, educational, and recreational programs tailored to the residents' interests and needs.
- Organize community events, workshops, and group activities to foster social engagement.
- Encourage resident participation and gather feedback to improve programs and services.

Administrative Tasks

- Maintain accurate records of resident interactions, services provided, and program attendance.
- Prepare and manage the services coordination budget in collaboration with the management team.
- Ensure compliance with applicable regulations and facility policies.

Team Collaboration

- Work closely with other facility staff to create a cohesive and supportive living environment.
- Participate in staff meetings and contribute to strategic planning for resident services.

Qualifications

Education and Experience

- Bachelor's degree in Social Work, Human Services, Gerontology, or a related field (preferred).
- Minimum of 2 years of experience in service coordination, program development, or a similar role, preferably in senior living or healthcare settings.

Skills and Abilities

- Strong organizational and multitasking skills.
- Excellent interpersonal and communication skills.
- Empathy and sensitivity to the needs of an aging population.
- Proficiency in Microsoft Office Suite and other relevant software.
- Ability to work both independently and collaboratively within a team.

Certifications

- Certified Services Coordinator or similar certification (preferred).
- CPR/First Aid certification (preferred).

Working Conditions

- Primarily office-based with occasional travel within the community.
- Flexible schedule, including evenings and weekends, as required by facility programs and resident needs.

Acknowledgment

I have read this job description and fully understand the requirements set forth therein. I hereby accept the position of Services Coordinator and agree to abide by the requirements set forth and will perform all duties and responsibilities to the best of my ability. I understand that as a result of my employment, I may be exposed to the TB, MRSA, AIDS and Hepatitis B Viruses and that the facility will make available to me, free of charge, the Hepatitis B vaccination.

I further understand that my employment is at-will, and thereby understand that my employment may be terminated at-will by the facility or myself and that such notice can be made with or without notice.

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Employee Printed Name **Date**

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Employee Signature

EXHIBIT 9

to

Section §999.5(d)(5)(E)

Job Description – Activities Director

Bethel Lutheran Home is an equal opportunity employer and welcomes applications from all qualified candidates. We are committed to creating a diverse and inclusive work environment. If you are a dedicated and compassionate Activities Director looking to make a meaningful difference in the lives of our residents, we encourage you to apply.

Position Summary:

The Activities Director at Bethel Lutheran Home is responsible for planning, implementing, and evaluating recreational, social, and therapeutic activity programs designed to meet the physical, emotional, mental, and spiritual needs of residents in Bethel Lutheran Home. This role ensures compliance with state and federal regulations and fosters a welcoming, inclusive, and stimulating environment that enhances residents' quality of life.

Key Responsibilities

1. **Program Development and Implementation**
   - Plan and schedule engaging daily, weekly, and monthly activity programs tailored to the individual needs and interests of residents.
   - Organize group and one-on-one activities to promote social interaction, cognitive stimulation, and physical well-being.
   - Incorporate seasonal events, cultural celebrations, and outings into the activity schedule.
2. **Resident Engagement**
   - Conduct assessments to understand residents' interests, preferences, and abilities.
   - Encourage participation and adapt activities to meet the needs of residents with varying levels of mobility and cognitive function.
   - Foster a welcoming environment that promotes inclusion and meaningful engagement.
3. **Compliance and Documentation**
   - Ensure all programs align with state and federal regulations, including CMS guidelines.
   - Maintain accurate records of resident attendance, participation, and progress in activities.
   - Prepare reports and care plans as required by regulatory standards.
4. **Team Leadership and Training**
   - Supervise and schedule activity staff and volunteers.
   - Provide training to staff and volunteers on activity techniques, safety protocols, and resident interaction.
   - Collaborate with the interdisciplinary care team to align activities with residents' overall care plans.
5. **Resource Management**
   - Manage the activities budget and maintain an inventory of supplies and equipment.
   - Build partnerships with local organizations and community groups to enhance programming.
6. **Communication and Collaboration**
   - Communicate with residents' families about activity offerings and encourage their involvement.

- Work closely with nursing, therapy, and dietary teams to coordinate holistic care.

Qualifications

- **Education:**
  - Bachelor's degree in Recreation, Therapeutic Recreation, or related field preferred.
  - Certification as a Certified Therapeutic Recreation Specialist (CTRS) or Activity Director Certified (ADC) is highly desirable.
- **Experience:**
  - Minimum of 2 years of experience in planning and implementing activities in a healthcare or skilled nursing setting.
  - Experience working with individuals with dementia or cognitive impairments is preferred.
- **Skills:**
  - Strong organizational and time-management abilities.
  - Excellent interpersonal and communication skills.
  - Creativity and adaptability in activity planning.
  - Knowledge of safety practices and infection control measures.

Working Conditions

- Work may involve lifting and transporting equipment or assisting residents.
- Flexible schedule required to accommodate evening, weekend, and holiday activities.
- Exposure to varying levels of physical and cognitive abilities in residents.

Key Performance Indicators

- Resident satisfaction with activities.
- Compliance with regulatory standards.
- Successful execution of activity plans and events.
- Positive feedback from residents, families, and staff.

Acknowledgment

I have read this job description and fully understand the requirements set forth therein. I hereby accept the position of Activities Director and agree to abide by the requirements set forth and will perform all duties and responsibilities to the best of my ability. I understand that as a result of my employment, I may be exposed to the TB, MRSA, AIDS and Hepatitis B Viruses and that the facility will make available to me, free of charge, the Hepatitis B vaccination.

I further understand that my employment is at-will, and thereby understand that my employment may be terminated at-will by the facility or myself and that such notice can be made with or without notice.

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Employee Printed Name **Date**

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Employee Signature

EXHIBIT 10

to

Section §999.5(d)(5)(E)

Job Description – Assistant Director of Nursing (ADON)

Bethel Lutheran Home is an equal opportunity employer and welcomes applications from all qualified candidates. We are committed to creating a diverse and inclusive work environment. If you are a dedicated and compassionate ADON looking to make a meaningful difference in the lives of our residents, we encourage you to apply.

Position Summary:

The Assistant Director of Nursing (ADON) supports the Director of Nursing in overseeing the nursing department and ensuring high-quality care is provided to the residents of Bethel Lutheran Home. The ADON will assist with daily operations, staff management, compliance with healthcare regulations, and quality assurance programs, ensuring that the nursing team delivers safe, effective, and compassionate care. The role requires a strong leader with clinical expertise and the ability to work in a fast-paced, resident-centered environment.

Key Responsibilities:

- **Clinical Oversight**: Assist in planning, organizing, and directing the nursing staff to ensure that residents receive the highest standards of care.
- **Staff Management**: Supervise, train, and mentor nursing staff, including RNs, LPNs, and CNAs. Participate in recruitment, orientation, performance evaluations, and staff scheduling.
- **Regulatory Compliance**: Ensure the nursing department operates in compliance with federal, state, and local regulations, as well as facility policies. Assist in preparing for surveys and inspections.
- **Quality Assurance**: Help implement and monitor quality improvement programs to ensure the facility meets high standards of care. Participate in clinical rounds, audits, and case reviews.
- **Resident Care Coordination**: Collaborate with interdisciplinary teams to ensure that resident care plans are followed, and changes in condition are promptly addressed.
- **Policy Development**: Assist in developing, reviewing, and updating nursing policies and procedures to align with best practices and regulatory requirements.
- **Budget Management**: Assist in managing the nursing department's budget, ensuring cost-effective utilization of staff and resources while maintaining quality care.
- **Education & Training**: Provide ongoing education and training for nursing staff on new policies, best practices, and clinical procedures.
- **Crisis Management**: Act as a point of contact for staff and residents in the absence of the Director of Nursing. Address urgent issues, including staffing concerns, resident complaints, and emergencies.

- **Documentation:** Ensure accurate and timely documentation of resident care, incidents, and staff-related matters. Oversee maintenance of medical records in accordance with facility standards.

Qualifications:

- **Education:** Bachelor of Science in Nursing (BSN) required; Master's degree in Nursing or Healthcare Administration is a plus.
- **Licensure:** Current RN license in the state of operation.
- **Experience:** Minimum of 3-5 years of nursing experience, with at least 2 years in a supervisory role within a skilled nursing facility or long-term care setting.
- **Skills:**
    - Strong leadership and management skills.
    - Excellent communication and interpersonal skills.
    - In-depth knowledge of nursing standards, regulations, and best practices.
    - Ability to manage multiple tasks and work efficiently under pressure.
    - Proficient in electronic medical records (EMR) systems and Microsoft Office.

Physical Requirements:

- Ability to stand, walk, and sit for extended periods.
- Ability to lift and move equipment and residents as necessary.
- Ability to respond to emergencies and work flexible hours, including nights and weekends, as needed.

Acknowledgment

I have read this job description and fully understand the requirements set forth therein. I hereby accept the position of Assistant Director of Nursing and agree to abide by the requirements set forth and will perform all duties and responsibilities to the best of my ability. I understand that as a result of my employment, I may be exposed to the TB, MRSA, AIDS and Hepatitis B Viruses and that the facility will make available to me, free of charge, the Hepatitis B vaccination.

I further understand that my employment is at-will, and thereby understand that my employment may be terminated at-will by the facility or myself and that such notice can be made with or without notice.

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Employee Printed Name **Date**

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Employee Signature

EXHIBIT 11

to

Section §999.5(d)(5)(E)

Job Description – Director of Staff Development (DSD)

Bethel Lutheran Home is an equal opportunity employer and welcomes applications from all qualified candidates. We are committed to creating a diverse and inclusive work environment. If you are a dedicated and compassionate DSD looking to make a meaningful difference in the lives of our residents, we encourage you to apply.

Position Summary:

The Director of Staff Development (DSD) plays a key role in creating a positive learning culture within Bethel Lutheran Home, overseeing training and continuing education to support the growth and professional development of nursing and support staff. This role ensures that all personnel maintain the required licensure and certifications, comply with facility policies, and are well-equipped with the knowledge and skills necessary for providing high-quality resident care. The DSD coordinates all mandatory training programs, evaluates staff competencies, and implements educational initiatives in line with federal, state, and facility regulations.

Key Responsibilities:

1. **Education and Training:**
    - Develop, implement, and manage comprehensive training programs, including orientation for new hires, ongoing education, and skills enhancement for all staff.
    - Facilitate annual mandatory training such as infection control, resident rights, HIPAA, abuse prevention, and emergency preparedness.
    - Ensure all staff certifications and licenses are current, managing compliance with regulatory requirements.
2. **Staff Development and Competency Evaluation:**
    - Conduct periodic assessments to identify staff learning needs and monitor competencies.
    - Provide targeted training sessions in response to identified gaps or regulatory changes.
    - Monitor and evaluate staff performance and skills through direct observation, assessment, and feedback.
3. **Compliance and Regulatory Oversight:**
    - Ensure that all training and education programs meet state and federal regulatory requirements, including those set forth by CMS, OSHA, and the Department of Public Health.
    - Maintain accurate records of all training activities, staff competencies, and compliance documentation.

4. **Leadership and Collaboration:**
    - Collaborate with the Director of Nursing (DON) and other department heads to create a supportive environment focused on quality improvement.
    - Lead by example to promote a positive, resident-centered culture of care.
    - Act as a resource for staff, providing support and guidance on clinical and regulatory issues.
5. **Continuous Quality Improvement:**
    - Assess training program effectiveness regularly, implementing improvements as needed to maintain high standards of care.
    - Stay updated on new developments, best practices, and regulatory changes affecting skilled nursing facilities.

Qualifications:

- **Education:** Bachelor's degree in Nursing (BSN) preferred or equivalent experience in healthcare management; advanced degree preferred.
- **Licensure:** Current Nursing license in CA.
- **Experience:** Minimum of 3-5 years of experience in long-term care, skilled nursing, or healthcare education; leadership experience preferred.
- **Certifications:** Certification as a Director of Staff Development (DSD) or willingness to obtain within sixty (60) days of hire.
- **Skills:**
    - Strong organizational and leadership abilities.
    - Excellent communication skills with a commitment to a resident-centered care approach.
    - Proficiency in healthcare technology and electronic health record (EHR) systems.
    - Knowledge of regulatory standards and quality improvement initiatives.

Physical Requirements:

- Ability to stand and walk for extended periods.
- Capacity to lift, push, and move equipment and supplies, if necessary, in support of training needs.

Acknowledgment

I have read this job description and fully understand the requirements set forth therein. I hereby accept the position of Director of Staff Development and agree to abide by the requirements set forth and will perform all duties and responsibilities to the best of my ability. I understand that as a result of my employment, I may be exposed to the TB, MRSA, AIDS and Hepatitis B Viruses and that the facility will make available to me, free of charge, the Hepatitis B vaccination.

I further understand that my employment is at-will, and thereby understand that my employment may be terminated at-will by the facility or myself and that such notice can be made with or without notice.

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Employee Printed Name **Date**

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Employee Signature

EXHIBIT 12

to

Section §999.5(d)(5)(E)

Job Description – Infection Prevention Coordinator

Bethel Lutheran Home is an equal opportunity employer and welcomes applications from all qualified candidates. We are committed to creating a diverse and inclusive work environment. If you are a dedicated and compassionate Infection Prevention Coordinator looking to make a meaningful difference in the lives of our residents, we encourage you to apply.

Position Summary:

The Infection Prevention Coordinator is responsible for overseeing and implementing infection prevention and control measures to ensure the health and safety of residents, staff, and visitors within the Bethel Lutheran Home. This position will develop, monitor, and evaluate infection control programs in compliance with federal, state, and local regulations. The coordinator will work closely with the clinical team to maintain a safe environment and mitigate the risk of infectious disease outbreaks.

Key Responsibilities

1. **Program Development & Management**
    - Develop and maintain an infection prevention and control program based on regulatory requirements, best practices, and the facility's specific needs.
    - Create, review, and update infection control policies, procedures, and protocols.
    - Conduct regular risk assessments to identify potential infection risks within the facility and implement strategies to mitigate these risks.
2. **Training & Education**
    - Provide infection prevention training and education to all facility staff, including proper hand hygiene, use of personal protective equipment (PPE), cleaning and disinfection procedures, and protocols for isolating infectious residents.
    - Educate residents and families on infection prevention practices as necessary.
3. **Surveillance & Data Collection**
    - Conduct surveillance of healthcare-associated infections and report findings to the Director of Nursing and other relevant stakeholders.
    - Collect and analyze infection data to identify trends and potential outbreaks.
    - Maintain accurate and up-to-date records and documentation related to infection control.

4. **Outbreak Management**
    - Lead and coordinate response efforts for any infectious disease outbreaks, including investigation, containment, and reporting to public health authorities.
    - Implement isolation and quarantine procedures as needed.
    - Ensure all team members are informed of outbreak protocols and coordinate with healthcare providers for resident care as necessary.
5. **Compliance & Auditing**
    - Ensure compliance with all infection prevention regulations, including those from the Centers for Disease Control and Prevention (CDC), Occupational Safety and Health Administration (OSHA), Centers for Medicare & Medicaid Services (CMS), and state and local health departments.
    - Conduct regular audits to assess compliance with infection prevention practices and identify areas for improvement.
    - Prepare for regulatory inspections and respond to surveyors regarding infection control practices.
6. **Collaboration & Communication**
    - Collaborate with clinical staff, administrators, and external partners to establish a culture of infection prevention.
    - Participate in quality assurance and performance improvement (QAPI) meetings and other relevant committees to provide updates on infection control activities.
    - Serve as a resource and advisor on infection prevention to staff and management.

Qualifications

- **Education**: Bachelor's degree in Nursing (BSN), Public Health, Microbiology, or a related field preferred.
- **Experience**: Minimum of 2 years of experience in infection prevention within a healthcare setting, preferably in a skilled nursing or long-term care facility.
- **Certification**: Certified in Infection Control (CIC) preferred or willingness to obtain within one year of hire.
- **Skills**: Knowledge of infection control principles and regulations, strong analytical and problem-solving skills, effective communication, and interpersonal skills.

Physical Requirements

- Ability to stand, walk, and move throughout the facility as needed.
- Capacity to wear personal protective equipment (PPE) for extended periods during outbreaks or high-risk activities.

Acknowledgment

I have read this job description and fully understand the requirements set forth therein. I hereby accept the position of Infection Prevention Coordinator and agree to abide by the requirements set forth and will perform all duties and responsibilities to the best of my ability. I understand that as a result of my employment, I may be exposed to the TB, MRSA, AIDS and Hepatitis B Viruses and that the facility will make available to me, free of charge, the Hepatitis B vaccination.

I further understand that my employment is at-will, and thereby understand that my employment may be terminated at-will by the facility or myself and that such notice can be made with or without notice.

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Employee Printed Name **Date**

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Employee Signature

EXHIBIT 13

to

Section §999.5(d)(5)(E)

Job Description – Charge Nurse

Bethel Lutheran Home is an equal opportunity employer and welcomes applications from all qualified candidates. We are committed to creating a diverse and inclusive work environment. If you are a dedicated and compassionate Charge Nurse looking to make a meaningful difference in the lives of our residents, we encourage you to apply.

Position Summary:

The Charge Nurse plays a pivotal role in providing clinical leadership to nursing staff while ensuring the delivery of high-quality care to residents of Bethel Lutheran Home. The Charge Nurse is responsible for overseeing nursing staff on assigned shifts, coordinating resident care, and ensuring compliance with healthcare regulations and facility policies. This position requires strong clinical judgment, leadership abilities, and a compassionate approach to resident care.

Key Responsibilities:

- **Staff Supervision**: Lead and supervise the nursing staff on assigned shifts, including Registered Nurses (RNs), Licensed Practical Nurses (LPNs), and Certified Nursing Assistants (CNAs). Ensure tasks are completed according to policies and procedures.
- **Resident Care**: Oversee and participate in the assessment, planning, and implementation of care for residents, ensuring their needs are met in a timely and compassionate manner.
- **Care Coordination**: Communicate with interdisciplinary team members, physicians, residents, and families to ensure that care plans are implemented and followed.
- **Regulatory Compliance**: Ensure nursing practices comply with federal, state, and local regulations, as well as facility standards. Assist in preparing for and responding to inspections and audits.
- **Medication Administration**: Administer medications and treatments as prescribed by physicians. Ensure accurate and timely documentation of all medication administration and treatments in accordance with facility policies.
- **Emergency Response**: Act as the first point of contact for any emergencies during assigned shifts, including medical issues, resident falls, and other incidents. Provide clinical intervention and documentation as needed.
- **Documentation**: Ensure accurate and thorough documentation of resident conditions, treatments, and responses. Complete daily reports and communicate relevant information to incoming shift personnel.
- **Staff Training & Support**: Provide guidance, education, and support to nursing staff to maintain a high level of care. Assist with the orientation of new staff members and ongoing staff education.
- **Problem Solving**: Address any resident or staff concerns, escalating issues to the Director of Nursing or Assistant Director of Nursing as appropriate.

- **Quality Assurance**: Participate in quality improvement initiatives and assist in maintaining the standards of care in the facility.

Qualifications:

- **Education**: Graduate of an accredited nursing program. Associate's Degree in Nursing (ADN) required; Bachelor of Science in Nursing (BSN) preferred.
- **Licensure**: Current Registered Nurse (RN) or Licensed Practical Nurse (LPN) license in the state of operation.
- **Experience**: Minimum of 2 years of nursing experience, preferably in a skilled nursing facility or long-term care setting. Supervisory experience is a plus.
- **Skills**:
    - Strong clinical and assessment skills.
    - Leadership and team-building abilities.
    - Excellent communication and interpersonal skills.
    - Familiarity with electronic medical records (EMR) systems.
    - Ability to multitask, manage time effectively, and work well under pressure.

Physical Requirements:

- Ability to stand, walk, and move for extended periods.
- Ability to lift and assist residents with mobility and care as needed.
- Capacity to respond to emergencies quickly and efficiently.

Acknowledgment

I have read this job description and fully understand the requirements set forth therein. I hereby accept the position of Charge Nurse and agree to abide by the requirements set forth and will perform all duties and responsibilities to the best of my ability. I understand that as a result of my employment, I may be exposed to the TB, MRSA, AIDS and Hepatitis B Viruses and that the facility will make available to me, free of charge, the Hepatitis B vaccination.

I further understand that my employment is at-will, and thereby understand that my employment may be terminated at-will by the facility or myself and that such notice can be made with or without notice.

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Employee Printed Name **Date**

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Employee Signature

EXHIBIT 14

to

Section §999.5(d)(5)(E)

Job Description – Registered Nurse (RN)

Bethel Lutheran Home is an equal opportunity employer and welcomes applications from all qualified candidates. We are committed to creating a diverse and inclusive work environment. If you are a dedicated and compassionate RN looking to make a meaningful difference in the lives of our residents, we encourage you to apply.

Position Summary:

As a Registered Nurse (RN) for Bethel Lutheran Home, you will provide high-quality, compassionate care to residents while ensuring compliance with all health and safety guidelines. You will work collaboratively with a multidisciplinary team to promote the physical and emotional well-being of residents, implementing and overseeing their care plans.

Key Responsibilities:

- **Resident Care:**
  - Conduct comprehensive assessments of residents' health status, including physical, emotional, and social needs.
  - Develop, implement, and evaluate individualized care plans in collaboration with residents, families, and the healthcare team.
  - Administer medications and treatments as prescribed by physicians.
  - Monitor and document residents' responses to treatments and medications, reporting any changes to the appropriate healthcare provider.
  - Provide wound care, IV therapy, and other nursing procedures as needed.
- **Communication:**
  - Maintain clear and open communication with residents, families, and the healthcare team.
  - Educate residents and their families about health conditions, treatments, and care plans.
  - Participate in care conferences and family meetings to discuss residents' progress and needs.
- **Compliance and Documentation:**
  - Ensure all nursing practices comply with state and federal regulations and facility policies.
  - Accurately document all nursing care, including assessments, interventions, and outcomes, in residents' medical records.
  - Assist in preparing for and participating in regulatory inspections and audits.
- **Team Collaboration:**
  - Work collaboratively with Certified Nursing Assistants (CNAs), Licensed Practical Nurses (LPNs), and other healthcare professionals.
  - Provide leadership and guidance to nursing staff, fostering a positive and supportive work environment.
  - Participate in staff meetings, in-service training, and continuing education programs to stay current with nursing practices.

- **Quality Improvement:**
  - Contribute to continuous quality improvement initiatives within the facility.
  - Identify areas for improvement in resident care and work with the healthcare team to implement solutions.
  - Other duties as assigned.

Qualifications:

- **Education:**
  - Graduate of an accredited nursing program.
  - Bachelor of Science in Nursing (BSN) preferred.
- **Licensure/Certification:**
  - Current Registered Nurse (RN) license in the state of CA.
  - Basic Life Support (BLS) certification required.
  - Advanced certifications (e.g., Gerontological Nursing) preferred.
- **Experience:**
  - Previous experience in a skilled nursing facility or long-term care setting preferred.
  - Knowledge of geriatric care and chronic disease management.
- **Skills and Abilities:**
  - Strong clinical and critical thinking skills.
  - Excellent communication and interpersonal skills.
  - Ability to work effectively in a team environment.
  - Proficiency in electronic health records (EHR) systems.
  - Compassionate and patient-centered approach to care.

Acknowledgment

I have read this job description and fully understand the requirements set forth therein. I hereby accept the position of Registered Nurse and agree to abide by the requirements set forth and will perform all duties and responsibilities to the best of my ability. I understand that as a result of my employment, I may be exposed to the TB, MRSA, AIDS and Hepatitis B Viruses and that the facility will make available to me, free of charge, the Hepatitis B vaccination.

I further understand that my employment is at-will, and thereby understand that my employment may be terminated at-will by the facility or myself and that such notice can be made with or without notice.

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Employee Printed Name **Date**

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Employee Signature

EXHIBIT 15

to

Section §999.5(d)(5)(E)

Job Description – Restorative Nursing Assistant (RNA)

Bethel Lutheran Home is an equal opportunity employer and welcomes applications from all qualified candidates. We are committed to creating a diverse and inclusive work environment. If you are a dedicated and compassionate RNA looking to make a meaningful difference in the lives of our residents, we encourage you to apply.

Position Summary:

The Restorative Nurse Assistant (RNA) plays a key role in supporting residents' recovery, mobility, and overall well-being within Bethel Lutheran Home. Under the supervision of licensed nursing staff and in collaboration with the interdisciplinary care team, the RNA provides restorative care services designed to promote independence, prevent functional decline, and enhance the quality of life for residents.

Essential Responsibilities:

- **Restorative Care Implementation:**
    - Assist residents with prescribed restorative care programs, including range-of-motion exercises, walking and ambulation, transfers, and strengthening exercises.
    - Provide assistance with the use of adaptive equipment, such as walkers, canes, and prosthetics.
    - Maintain proper body alignment and positioning for residents.
- **Resident Monitoring:**
    - Observe and report changes in residents' physical or emotional status to the nursing staff.
    - Document progress and participation in restorative programs accurately in compliance with facility policies.
- **Therapeutic Activities:**
    - Facilitate small group or one-on-one activities designed to improve residents' mobility, balance, and independence.
    - Encourage residents to actively participate in daily restorative activities.
- **Team Collaboration:**

- Work closely with licensed nurses, physical therapists, occupational therapists, and other care team members to ensure restorative goals are met.
- Participate in interdisciplinary care planning meetings to discuss resident progress and needs.

- **Resident Support and Education:**
  - Educate residents and their families on restorative techniques to support continued progress and independence.
  - Provide emotional encouragement to residents during restorative activities.

Qualifications:

- **Education and Certification:**
  - High school diploma or equivalent required.
  - Certified Nursing Assistant (CNA) certification required.
  - Completion of Restorative Nurse Assistant (RNA) training program preferred.
- **Experience:**
  - Previous experience in a Skilled Nursing Facility or similar healthcare environment preferred.
  - Experience in restorative care or rehabilitation is a plus.
- **Skills and Abilities:**
  - Strong communication and interpersonal skills to work effectively with residents, families, and care team members.
  - Knowledge of restorative care techniques and safe patient-handling practices.
  - Ability to follow care plans, document accurately, and adhere to facility policies and procedures.
  - Compassionate and patient-centered approach to care.

Physical Requirements:

- Ability to stand, walk, and assist with resident transfers for extended periods.
- Ability to lift and move residents or equipment safely, in accordance with facility guidelines.

Work Environment:

This position is based in a Skilled Nursing Facility and involves direct interaction with residents requiring varying levels of care. The RNA must maintain a safe, respectful, and positive environment for residents and staff.

Acknowledgment

I have read this job description and fully understand the requirements set forth therein. I hereby accept the position of Restorative Nursing Assistant and agree to abide by the requirements set forth and will perform all duties and responsibilities to the best of my ability. I understand that as a result of my employment, I may be exposed to the TB, MRSA, AIDS and Hepatitis B Viruses and that the facility will make available to me, free of charge, the Hepatitis B vaccination.

I further understand that my employment is at-will, and thereby understand that my employment may be terminated at-will by the facility or myself and that such notice can be made with or without notice.

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Employee Printed Name **Date**

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Employee Signature

EXHIBIT 16

to

Section §999.5(d)(5)(E)

Job Description-Licensed Vocation Nurse (LVN)

Bethel Lutheran Home is an equal opportunity employer and welcomes applications from all qualified candidates. We are committed to creating a diverse and inclusive work environment. If you are a dedicated and compassionate LVN looking to make a meaningful difference in the lives of our residents, we encourage you to apply.

Position Overview: As a Licensed Vocational Nurse (LVN) at Bethel Lutheran Home, you will play a crucial role in providing high-quality care and support to residents. Working under the supervision of registered nurses and physicians, you will be responsible for administering medications, monitoring vital signs, assisting with activities of daily living (ADLs), and ensuring the overall well-being and comfort of residents.

Key Responsibilities:

1. **Medication Administration:**
    - Dispense prescribed medications accurately and according to established protocols.
    - Monitor residents for any adverse reactions or side effects from medications and report to the supervising nurse or physician.
    - Maintain accurate medication records and documentation.
2. **Vital Signs Monitoring:**
    - Regularly assess and record vital signs such as blood pressure, pulse, temperature, and respiratory rate.
    - Recognize and report any abnormal vital signs promptly to the healthcare team.
3. **Assistance with Activities of Daily Living (ADLs):**
    - Assist residents with bathing, grooming, dressing, and toileting as needed.
    - Support residents in mobility and transferring, ensuring safety and comfort.
    - Provide assistance with eating and hydration, adhering to dietary restrictions when necessary.
4. **Healthcare Monitoring and Documentation:**
    - Monitor and report changes in residents' health status to the supervising nurse or physician.
    - Document all care provided accurately and maintain thorough resident records.
    - Follow established protocols for infection control and prevention.
5. **Collaboration and Communication:**

- Communicate effectively with residents, families, and other members of the healthcare team.
- Collaborate with other healthcare professionals to develop and implement care plans tailored to each resident's needs.
- Participate in resident care conferences and meetings as required.

6. **Emergency Response:**
    - Respond promptly and appropriately to medical emergencies, including falls, cardiac events, and respiratory distress.
    - Administer CPR and basic first aid as needed while awaiting further medical assistance.
7. **Compliance and Quality Assurance:**
    - Adhere to all state regulations, facility policies, and industry standards related to resident care.
    - Participate in quality assurance initiatives and continuous improvement efforts to enhance resident care and safety.
    - Other Duties as Assigned.

Qualifications:

- Current licensure as a Licensed Vocational Nurse (LVN) in the state of CA.
- Previous experience working in a healthcare setting, preferably in assisted living or long-term care.
- Strong knowledge of nursing principles, practices, and procedures.
- Excellent communication and interpersonal skills.
- Ability to prioritize tasks and work effectively in a fast-paced environment.
- Compassionate and patient-centered approach to resident care.

Acknowledgment

I have read this job description and fully understand the requirements set forth therein. I hereby accept the position of Licensed Vocational Nurse and agree to abide by the requirements set forth and will perform all duties and responsibilities to the best of my ability. I understand that as a result of my employment, I may be exposed to the TB, MRSA, AIDS and Hepatitis B Viruses and that the facility will make available to me, free of charge, the Hepatitis B vaccination.
I further understand that my employment is at-will, and thereby understand that my employment may be terminated at-will by the facility or myself and that such notice can be made with or without notice.

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Employee Printed Name **Date**

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Employee Signature

EXHIBIT 17

to

Section §999.5(d)(5)(E)

Job Description – Certified Nursing Assistant (CNA)

Bethel Lutheran Home is an equal opportunity employer and welcomes applications from all qualified candidates. We are committed to creating a diverse and inclusive work environment. If you are a dedicated and compassionate CNA looking to make a meaningful difference in the lives of our residents, we encourage you to apply.

Position Summary:

As a Certified Nursing Assistant (CNA) at our Bethel Lutheran Home, you will play a vital role in delivering compassionate and high-quality care to our residents. Your primary responsibilities include assisting residents with daily living activities, ensuring their comfort and safety, and supporting the nursing team in providing excellent healthcare services. Your dedication and empathy will contribute significantly to the well-being and quality of life of our residents.

Key Responsibilities:

- **Resident Care:**
  - Assist residents with activities of daily living (ADLs) such as bathing, dressing, grooming, eating, and toileting.
  - Monitor and record vital signs, including temperature, pulse, respiration, and blood pressure.
  - Report any changes in residents' physical or emotional conditions to the nursing staff promptly.
  - Help residents with mobility and transfers, ensuring their safety and using proper lifting techniques.
  - Provide basic skin care to prevent pressure sores and assist with range-of-motion exercises.
- **Supportive Services:**
  - Serve meals and assist residents with eating as needed, ensuring dietary needs and preferences are met.
  - Maintain cleanliness and orderliness of residents' living areas, including making beds and tidying rooms.
  - Assist with personal hygiene tasks such as brushing teeth, shaving, and nail care.
  - Provide companionship and emotional support to residents, fostering a caring and respectful environment.
- **Communication:**
  - Communicate effectively with residents, families, and the healthcare team to ensure coordinated and comprehensive care.
  - Document care provided and residents' responses accurately in electronic health records (EHR) or other documentation systems.

- **Compliance and Safety:**
  - Follow all facility policies and procedures, including infection control and safety protocols.
  - Participate in training programs and continuing education to stay current with best practices in resident care.
  - Assist with emergency procedures and ensure residents' safety during emergencies.
  - Other Duties as Assigned

Qualifications:

- **Education:**
  - High school diploma or equivalent.
  - Completion of a state-approved nursing assistant training program.
- **Licensure/Certification:**
  - Current certification as a Certified Nursing Assistant (CNA) in the state of CA.
  - Basic Life Support (BLS) certification preferred.
- **Experience:**
  - Previous experience in a skilled nursing facility or long-term care setting preferred.
  - Knowledge of geriatric care and basic nursing skills.
- **Skills and Abilities:**
  - Strong communication and interpersonal skills.
  - Ability to work effectively in a team environment.
  - Compassionate and patient-centered approach to care.
  - Physical ability to perform tasks such as lifting, transferring, and assisting residents with mobility.

Acknowledgment

I have read this job description and fully understand the requirements set forth therein. I hereby accept the position of Certified Nursing Assistant and agree to abide by the requirements set forth and will perform all duties and responsibilities to the best of my ability. I understand that as a result of my employment, I may be exposed to the TB, MRSA, AIDS and Hepatitis B Viruses and that the facility will make available to me, free of charge, the Hepatitis B vaccination.

I further understand that my employment is at-will, and thereby understand that my employment may be terminated at-will by the facility or myself and that such notice can be made with or without notice.

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Employee Printed Name **Date**

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Employee Signature

EXHIBIT 18

to

Section §999.5(d)(5)(E)

Job Description – Quality Assurance (QA) Specialist

Bethel Lutheran Home is an equal opportunity employer and welcomes applications from all qualified candidates. We are committed to creating a diverse and inclusive work environment. If you are a dedicated and compassionate QA Specialist looking to make a meaningful difference in the lives of our residents, we encourage you to apply.

Position Summary:

The Quality Assurance (QA) Specialist at Bethel Lutheran Home is responsible for ensuring the highest standards of care, compliance, and operational excellence by implementing and monitoring quality assurance programs. This role plays a critical part in maintaining regulatory compliance, enhancing patient care, and supporting continuous improvement initiatives.

Key Responsibilities:

1. **Quality Assurance & Compliance:**
   - Develop, implement, and monitor quality assurance programs in alignment with federal, state, and local regulations (e.g., CMS, OSHA, state Department of Health).
   - Conduct regular audits of clinical records, operational processes, and resident care to ensure compliance with policies and standards.
   - Prepare and submit compliance reports to regulatory agencies as required.
2. **Data Analysis & Reporting:**
   - Collect, analyze, and interpret data to identify trends and opportunities for improvement.
   - Present findings and recommend actionable solutions to management and staff.
   - Maintain detailed documentation of QA activities, including audits, investigations, and corrective action plans.
3. **Education & Training:**
   - Provide training to staff on quality assurance standards, best practices, and regulatory requirements.
   - Collaborate with department heads to reinforce a culture of quality and accountability.
4. **Incident Management:**
   - Oversee investigations of incidents, accidents, or complaints, ensuring root cause analysis is conducted and corrective actions are implemented.
   - Monitor the effectiveness of corrective actions and provide ongoing support for resolution.
5. **Performance Improvement:**
   - Facilitate performance improvement projects and initiatives to enhance resident outcomes and staff efficiency.
   - Work collaboratively with interdisciplinary teams to implement evidence-based practices.
6. **Resident & Family Engagement:**
   - Serve as a resource for residents and families regarding quality of care concerns.
   - Address and resolve complaints in a timely and professional manner.

Qualifications:

- **Education:** Bachelor's degree in healthcare administration, nursing, or a related field. Advanced certifications in quality assurance or performance improvement are a plus.
- **Experience:** Minimum of 2-3 years of experience in quality assurance or a similar role within a skilled nursing facility or healthcare setting.
- **Knowledge:** Strong understanding of SNF regulations, including CMS Quality Reporting Program, MDS, and survey processes.
- **Skills:**
  - Excellent analytical and problem-solving abilities.
  - Proficient in Microsoft Office Suite and quality management software.
  - Strong communication and interpersonal skills to effectively train and collaborate with staff.
  - Attention to detail and ability to manage multiple priorities simultaneously.
- **Certifications:**
  - Certification in healthcare quality (e.g., CPHQ) is preferred but not required.
  - RN or LPN licensure is advantageous.

Work Environment:

- This role is performed primarily on-site at Bethel Lutheran Home.
- May require occasional travel for training or compliance meetings.
- Work hours may vary to accommodate facility needs, including occasional evening or weekend availability.

Acknowledgment

I have read this job description and fully understand the requirements set forth therein. I hereby accept the position of QA Specialist and agree to abide by the requirements set forth and will perform all duties and responsibilities to the best of my ability. I understand that as a result of my employment, I may be exposed to the TB, MRSA, AIDS and Hepatitis B Viruses and that the facility will make available to me, free of charge, the Hepatitis B vaccination.

I further understand that my employment is at-will, and thereby understand that my employment may be terminated at-will by the facility or myself and that such notice can be made with or without notice.

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Employee Printed Name **Date**

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Employee Signature

EXHIBIT 19

to

Section §999.5(d)(5)(E)

Job Description – Medical Records Technician

Bethel Lutheran Home is an equal opportunity employer and welcomes applications from all qualified candidates. We are committed to creating a diverse and inclusive work environment. If you are a dedicated and compassionate Medical Records Technician looking to make a meaningful difference in the lives of our residents, we encourage you to apply.

Position Summary:

The Medical Records Technician at Bethel Lutheran Home is responsible for organizing, managing, and maintaining patient health information and records. This role ensures that all patient documentation complies with healthcare regulations and facility policies, contributing to high standards of care. The technician will play a critical role in safeguarding patient confidentiality, ensuring record accuracy, and supporting clinical staff with easy access to essential patient information.

Key Responsibilities:

1. **Record Management and Maintenance:**
    - Accurately create, update, and manage medical records for all facility residents.
    - Organize medical records for efficient retrieval and consistent access by authorized personnel.
    - Audit records regularly to verify accuracy and completeness.
2. **Compliance and Regulatory Adherence:**
    - Ensure all medical documentation adheres to HIPAA, federal, and state regulations.
    - Stay current with regulatory changes and implement necessary adjustments to record-keeping practices.
    - Collaborate with facility staff to uphold confidentiality and security protocols.
3. **Data Entry and Documentation:**
    - Enter and update electronic health records (EHR) with patient demographics, diagnoses, procedures, and treatment plans.
    - Ensure timely processing of admission, discharge, and transfer documentation.
    - Assist in transitioning any paper records to digital formats as required.
4. **Support for Clinical Staff and Quality Assurance:**
    - Work closely with nursing, therapy, and other healthcare departments to facilitate seamless patient care.

- Assist in audits, chart reviews, and data gathering for quality improvement initiatives.
- Identify record discrepancies and communicate with relevant staff to resolve them.

5. **Record Requests and Information Distribution:**
   - Process requests for patient information in compliance with facility policies and regulations.
   - Coordinate record retrieval for reviews, legal inquiries, or external audits.
   - Communicate effectively with patients, families, and authorized agencies regarding record access.

Qualifications:

- High school diploma or equivalent; certification in health information management, medical billing, or related field preferred.
- Experience in medical records or health information management, especially in a skilled nursing or long-term care setting.
- Familiarity with EHR software and other relevant health information systems.
- Strong understanding of HIPAA regulations and confidentiality practices.
- Excellent organizational skills, attention to detail, and ability to manage time effectively.
- Strong communication skills, with the ability to work effectively with multidisciplinary teams.

Physical Requirements:

- Ability to sit or stand for extended periods, with occasional bending or lifting of light materials.
- Comfortable working in an office within a healthcare facility, following facility infection control policies.

Acknowledgment

I have read this job description and fully understand the requirements set forth therein. I hereby accept the position of Medical Records Technician and agree to abide by the requirements set forth and will perform all duties and responsibilities to the best of my ability. I understand that as a result of my employment, I may be exposed to the TB, MRSA, AIDS and Hepatitis B Viruses and that the facility will make available to me, free of charge, the Hepatitis B vaccination.
I further understand that my employment is at-will, and thereby understand that my employment may be terminated at-will by the facility or myself and that such notice can be made with or without notice.

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Employee Printed Name **Date**

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Employee Signature

EXHIBIT 20

to

Section §999.5(d)(5)(E)

Job Description – MDS Coordinator

Bethel Lutheran Home is an equal opportunity employer and welcomes applications from all qualified candidates. We are committed to creating a diverse and inclusive work environment. If you are a dedicated and compassionate MDS Coordinator looking to make a meaningful difference in the lives of our residents, we encourage you to apply.

Position Summary:

The MDS Coordinator is responsible for completing and managing the Minimum Data Set (MDS) assessments within Bethel Lutheran Home to ensure regulatory compliance, optimize reimbursement, and support quality care. This role requires expertise in clinical assessment, care planning, and data collection, as well as a comprehensive understanding of Medicare and Medicaid regulations. The MDS Coordinator collaborates closely with the interdisciplinary team to enhance resident outcomes and operational efficiency.

Key Responsibilities:

1. **MDS Assessment and Coordination:**
    - Conduct timely and accurate MDS assessments for residents as required by regulatory timelines.
    - Ensure comprehensive and accurate data entry and submission to maintain regulatory compliance.
    - Coordinate with nursing staff, therapists, and other interdisciplinary team members to gather necessary assessment information.
2. **Care Planning and Review:**
    - Develop and update individualized care plans based on MDS assessments and resident needs.
    - Facilitate resident-centered care conferences with family members, residents, and staff.
    - Collaborate with clinical staff to implement care interventions that enhance resident quality of life.
3. **Compliance and Quality Assurance:**
    - Maintain up-to-date knowledge of state and federal guidelines for MDS, Medicare, and Medicaid.
    - Audit MDS assessments and related documentation for accuracy, completeness, and compliance.
    - Participate in Quality Assurance and Performance Improvement (QAPI) initiatives to improve resident outcomes.
4. **Reimbursement and Documentation:**
    - Ensure assessments align with reimbursement requirements to optimize facility revenue.
    - Complete assessments for Medicare, Medicaid, and other payers based on regulatory needs.
    - Oversee tracking and submission of MDS data to regulatory bodies within designated timelines.

5. **Staff Education and Support:**
    - Train and support clinical staff in understanding MDS processes, documentation standards, and care planning.
    - Serve as a resource for the interdisciplinary team, providing guidance on regulatory updates and best practices.
    - Conduct periodic reviews and education sessions to reinforce accurate assessment documentation.

Qualifications:

- **Licensure:** Current Registered Nurse (RN) or Licensed Practical Nurse (LPN) license in CA.
- **Experience:** 2+ years in long-term care with a focus on MDS coordination or similar role in skilled nursing facilities
- **Certifications:** RAC-CT (Resident Assessment Coordinator - Certified) preferred
- **Knowledge:** Familiarity with MDS 3.0, CMS regulations, and reimbursement processes
- **Skills:** Strong organizational, analytical, and communication skills; attention to detail and the ability to multitask effectively

Working Conditions:

- Position primarily involves administrative duties within the facility.
- Some on-call availability may be required for urgent resident assessment needs

Physical Requirements:

- Ability to stand, walk, and sit for extended periods.
- Ability to lift and move equipment and residents as necessary.
- Ability to respond to emergencies and work flexible hours, including nights and weekends, as needed.

Acknowledgment

I have read this job description and fully understand the requirements set forth therein. I hereby accept the position of MDS and agree to abide by the requirements set forth and will perform all duties and responsibilities to the best of my ability. I understand that as a result of my employment, I may be exposed to the TB, MRSA, AIDS and Hepatitis B Viruses and that the facility will make available to me, free of charge, the Hepatitis B vaccination.

I further understand that my employment is at-will, and thereby understand that my employment may be terminated at-will by the facility or myself and that such notice can be made with or without notice.

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Employee Printed Name **Date**

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Employee Signature

EXHIBIT 21

to

Section §999.5(d)(5)(E)

Job Description – Maintenance Supervisor

Bethel Lutheran Home is an equal opportunity employer and welcomes applications from all qualified candidates. We are committed to creating a diverse and inclusive work environment. If you are a dedicated and compassionate Maintenance Supervisor looking to make a meaningful difference in the lives of our residents, we encourage you to apply.

Job Summary: The Maintenance Supervisor is responsible for overseeing the maintenance operations of the Bethel Lutheran Home, ensuring the building and grounds are safe, secure, and well-maintained. This role involves supervising the maintenance staff, managing preventive maintenance schedules, handling repairs, and ensuring compliance with safety regulations.

Key Responsibilities:

- **Supervision and Management:**
  - Lead and manage the maintenance team, including hiring, training, scheduling, and performance evaluations.
  - Assign tasks and oversee daily operations to ensure timely and efficient completion of maintenance activities.
- **Facility Maintenance:**
  - Develop and implement preventive maintenance programs for all building systems, including HVAC, plumbing, electrical, and safety systems.
  - Perform routine inspections of the facility and grounds to identify and address maintenance issues.
- **Repairs and Troubleshooting:**
  - Respond to maintenance requests and emergencies promptly, diagnosing issues and performing necessary repairs.
  - Coordinate with external vendors for specialized repairs and maintenance services when needed.
- **Safety and Compliance:**
  - Ensure the facility complies with all local, state, and federal regulations related to building maintenance and safety.
  - Maintain records of inspections, maintenance activities, and compliance documentation.

- **Budgeting and Inventory:**
    - Manage the maintenance budget, including tracking expenses and ensuring cost-effective operations.
    - Maintain inventory of tools, equipment, and supplies, ensuring timely ordering and replenishment.

Qualifications:

- **Education and Experience:**
    - High school diploma or equivalent required; vocational or technical training in maintenance-related fields preferred.
    - Minimum of 3-5 years of experience in facility maintenance, with at least 2 years in a supervisory role.
- **Skills and Abilities:**
    - Strong knowledge of building systems, including HVAC, plumbing, electrical, and safety systems.
    - Excellent leadership and team management skills.
    - Ability to read and interpret blueprints, schematics, and technical manuals.
    - Strong problem-solving and troubleshooting abilities.
    - Good communication and interpersonal skills.
- **Certifications:**
    - Certification in facilities management or related fields is a plus.
    - Relevant trade certifications (e.g., HVAC, electrical) are highly desirable.

Physical Requirements:

- Ability to lift and carry heavy objects (up to 50 pounds).
- Ability to work in various positions, including standing, kneeling, and crouching, for extended periods.
- Ability to work indoors and outdoors in various weather conditions.

Work Environment:

- The Maintenance Supervisor will work in a healthcare environment that requires strict adherence to health and safety protocols.
- The role may require being on-call for emergencies outside regular working hours.

Acknowledgment

I have read this job description and fully understand the requirements set forth therein. I hereby accept the position of Maintenance Supervisor and agree to abide by the requirements set forth and will perform all duties and responsibilities to the best of my ability. I understand that as a result of my employment, I

may be exposed to the TB, MRSA, AIDS and Hepatitis B Viruses and that the facility will make available to me, free of charge, the Hepatitis B vaccination.
I further understand that my employment is at-will, and thereby understand that my employment may be terminated at-will by the facility or myself and that such notice can be made with or without notice.

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Employee Printed Name **Date**

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Employee Signature

EXHIBIT 22

to

Section §999.5(d)(5)(E)

Job Description – Maintenance Technician

Bethel Lutheran Home is an equal opportunity employer and welcomes applications from all qualified candidates. We are committed to creating a diverse and inclusive work environment. If you are a dedicated and compassionate Maintenance Tech looking to make a meaningful difference in the lives of our residents, we encourage you to apply.

Job Summary: The Maintenance Technician is responsible for the upkeep and repair of the facilities, equipment, and grounds of our Bethel Lutheran Home. This role ensures a safe, comfortable, and well-maintained environment for residents, staff, and visitors. The Maintenance Technician will perform preventive maintenance, address emergency repairs, and support various facility-related projects.

Key Responsibilities:

- **Routine Maintenance:** Conduct regular inspections and maintenance of the building, equipment, and grounds. Perform tasks such as painting, plumbing, electrical repairs, HVAC maintenance, carpentry, and general repairs.
- **Emergency Repairs:** Respond promptly to maintenance emergencies, including issues related to plumbing, electrical systems, HVAC, and safety hazards.
- **Preventive Maintenance:** Implement and document a preventive maintenance schedule to ensure all systems and equipment are functioning efficiently and safely.
- **Safety Compliance:** Ensure all maintenance activities comply with health and safety regulations. Identify and mitigate potential hazards within the facility.
- **Resident Support:** Address maintenance requests from residents in a timely and courteous manner, ensuring minimal disruption to their daily lives.
- **Facility Projects:** Assist with facility improvement projects, including renovations, upgrades, and new installations. Collaborate with contractors and vendors as needed.
- **Inventory Management:** Maintain an inventory of maintenance supplies and equipment. Reorder materials as necessary to ensure adequate stock levels.
- **Record Keeping:** Keep detailed records of all maintenance activities, including repairs, inspections, and preventive maintenance tasks.
- **Team Collaboration:** Work closely with other staff members, including the facility manager, housekeeping, and healthcare providers, to ensure a cohesive approach to facility maintenance.

- **Training and Development:** Stay updated on industry best practices and advancements in maintenance technology. Participate in training programs to enhance skills and knowledge.

Qualifications:

- **Education:** High school diploma or equivalent. Technical training or certification in maintenance-related fields is preferred.
- **Experience:** Proven experience as a maintenance technician, preferably in a healthcare or assisted living setting.
- **Skills:** Strong knowledge of building systems, including HVAC, plumbing, electrical, and mechanical. Proficiency in using hand and power tools.
- **Physical Requirements:** Ability to perform physically demanding tasks, including lifting, climbing, and working in various environmental conditions.
- **Problem-Solving:** Excellent troubleshooting and problem-solving skills. Ability to work independently and manage time effectively.
- **Communication:** Good communication skills and the ability to interact positively with residents, staff, and vendors.
- **Availability:** Flexibility to work on-call hours, including evenings, weekends, and holidays, as needed.

Acknowledgment

I have read this job description and fully understand the requirements set forth therein. I hereby accept the position of Maintenance Tech and agree to abide by the requirements set forth and will perform all duties and responsibilities to the best of my ability. I understand that as a result of my employment, I may be exposed to the TB, MRSA, AIDS and Hepatitis B Viruses and that the facility will make available to me, free of charge, the Hepatitis B vaccination.

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Employee Printed Name **Date**

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Employee Signature

EXHIBIT 23

to

Section §999.5(d)(5)(E)

Job Description – Lead Cook

Bethel Lutheran Home is an equal opportunity employer and welcomes applications from all qualified candidates. We are committed to creating a diverse and inclusive work environment. If you are a dedicated and compassionate Lead Cook looking to make a meaningful difference in the lives of our residents, we encourage you to apply.

Position Summary:

The Lead Cook is responsible for overseeing the daily kitchen operations at the Village of Bethel Lutheran Home. This role involves preparing nutritious and appealing meals, managing kitchen staff, ensuring food safety standards, and maintaining a welcoming dining experience for our residents. The Lead Cook works closely with the facility management team to create menus that meet residents' dietary preferences and nutritional needs.

Key Responsibilities:

1. **Meal Preparation and Presentation**
    - Prepare and cook high-quality, well-balanced meals tailored to residents' preferences and dietary restrictions.
    - Ensure meals are served on time and presented attractively.
2. **Kitchen Management**
    - Supervise and train kitchen staff, fostering a collaborative and efficient work environment.
    - Monitor kitchen inventory and order supplies as needed to maintain stock levels.
    - Oversee food/supply ordering, storage, rotation, and usage to minimize waste.
3. **Menu Planning**
    - Collaborate with dietitians or nutritionists to design menus that meet residents' nutritional requirements.
    - Adjust menus seasonally or based on resident feedback to ensure variety and satisfaction.
4. **Compliance and Safety**
    - Ensure all food preparation and storage meet health and safety standards.
    - Maintain cleanliness and organization in the kitchen and dining areas.
    - Conduct regular checks of kitchen equipment and arrange for maintenance or repair as needed.
5. **Resident Engagement**
    - Interact with residents to gather feedback on meals and dining experiences.

- Develop a welcoming and inclusive atmosphere in the dining area.

Qualifications:

- Proven experience as a Lead Cook, Head Chef, or similar role in a residential, hospitality, or healthcare setting.
- Certification in food safety and sanitation (e.g., ServSafe).
- Knowledge of nutrition and dietary guidelines, particularly for seniors.
- Strong leadership and team management skills.
- Excellent organizational and time-management abilities.

Preferred Qualifications:

- Culinary degree or equivalent training.
- Experience working in independent living, assisted living, or healthcare facilities.
- Strong communication skills and a passion for serving senior residents.

Work Environment:
The Lead Cook works in a fast-paced kitchen environment, often standing for extended periods. This role may require occasional evening, weekend, or holiday shifts. Additional duties assigned by Supervisor.

Acknowledgment
I have read this job description and fully understand the requirements set forth therein. I hereby accept the position of Lead Cook and agree to abide by the requirements set forth and will perform all duties and responsibilities to the best of my ability. I understand that as a result of my employment, I may be exposed to the TB, MRSA, AIDS and Hepatitis B Viruses and that the facility will make available to me, free of charge, the Hepatitis B vaccination.
I further understand that my employment is at-will, and thereby understand that my employment may be terminated at-will by the facility or myself and that such notice can be made with or without notice.

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Employee Printed Name **Date**

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Employee Signature

EXHIBIT 24

to

Section §999.5(d)(5)(E)

Job Description –Village Line Cook

Bethel Lutheran Home is an equal opportunity employer and welcomes applications from all qualified candidates. We are committed to creating a diverse and inclusive work environment. If you are a dedicated and compassionate Line Cook looking to make a meaningful difference in the lives of our residents, we encourage you to apply.

Position Overview: The Line Cook for the Village at Bethel Lutheran Home plays a crucial role in ensuring the nutritional needs and culinary satisfaction of residents are met. This position demands culinary expertise, attention to detail, and a commitment to food safety and hygiene standards. The Line Cook works closely with dietary staff to prepare and serve meals that adhere to dietary restrictions, preferences, and regulatory requirements.

Key Responsibilities:

1. **Food Preparation:** Prepare and cook a variety of menu items including entrees, soups, vegetables, and desserts according to standardized recipes and dietary guidelines.
2. **Menu Planning:** Collaborate with dietary staff and supervisors to plan menus that meet nutritional requirements and accommodate special dietary needs such as low-sodium, diabetic, pureed, and texture-modified diets.
3. **Food Presentation:** Ensure that all dishes are prepared and presented in an attractive and appetizing manner, adhering to portion control and plating standards.
4. **Food Safety and Sanitation:** Maintain a clean and organized work environment, following proper sanitation procedures, including but not limited to handwashing, temperature monitoring, and safe food handling practices to prevent foodborne illnesses.
5. **Inventory Management:** Assist in monitoring inventory levels of food and kitchen supplies, notifying supervisors of low stock items, and participating in inventory counts as required.
6. **Regulatory Compliance:** Adhere to all state and federal regulations related to food safety, sanitation, and hygiene, including compliance with Department of Health guidelines and facility policies.
7. **Team Collaboration:** Work closely with dietary staff, chefs, and kitchen personnel to ensure smooth operations in the kitchen and timely meal service to residents.
8. **Flexibility:** Be adaptable to changes in menu requirements, production schedules, and kitchen procedures to accommodate the needs of residents and the facility.
9. **Quality Control:** Conduct regular quality checks of prepared food items to ensure adherence to standards of taste, texture, and consistency.
10. **Other Duties as Assigned**

Qualifications:

1. **Culinary Skills:** Proven experience in food preparation and cooking in a professional kitchen setting, preferably in healthcare or institutional food service.
2. **Knowledge of Special Diets:** Familiarity with therapeutic diets and dietary restrictions commonly encountered in long-term care settings, such as pureed, mechanically altered, and modified consistency diets.
3. **Food Safety Certification:** Possession of a valid food handler's permit or ServSafe certification demonstrating knowledge of safe food handling practices and sanitation procedures.
4. **Team Player:** Ability to work effectively as part of a team in a fast-paced environment, demonstrating excellent communication and interpersonal skills.
5. **Physical Stamina:** Capable of standing for extended periods, lifting heavy objects, and performing repetitive tasks in a hot and fast-paced kitchen environment.
6. **Attention to Detail:** Meticulous attention to detail in food preparation, plating, and presentation, with a commitment to maintaining high standards of quality and excellence.
7. **Adaptability:** Willingness to adapt to changing priorities and work schedules, including weekends, holidays, and occasional overtime as needed.

Acknowledgment

I have read this job description and fully understand the requirements set forth therein. I hereby accept the position of Line Cook and agree to abide by the requirements set forth and will perform all duties and responsibilities to the best of my ability. I understand that as a result of my employment, I may be exposed to the TB, MRSA, AIDS and Hepatitis B Viruses and that the facility will make available to me, free of charge, the Hepatitis B vaccination.

I further understand that my employment is at-will, and thereby understand that my employment may be terminated at-will by the facility or myself and that such notice can be made with or without notice.

_____ _____

Employee Printed Name **Date**

_____

Employee Signature

EXHIBIT 25

to

Section §999.5(d)(5)(E)

Job Description – First Shift Village Server A

Bethel Lutheran Home is an equal opportunity employer and welcomes applications from all qualified candidates. We are committed to creating a diverse and inclusive work environment. If you are a dedicated and compassionate Server looking to make a meaningful difference in the lives of our residents, we encourage you to apply.

Position Overview:

The Server for The Village at Bethel Lutheran Home is essential in providing high-quality dining services to our residents, ensuring a welcoming and comfortable dining experience. The ideal candidate will have excellent customer service skills, attention to detail, and a passion for serving others.

Key Responsibilities

1. **Resident Dining Service**
    - Greet residents warmly and escort them to their tables.
    - Take and accurately relay food and beverage orders to the kitchen staff.
    - Serve meals in a professional and timely manner, ensuring special dietary requirements are met.
    - Refill beverages and attend to residents' needs throughout the meal.
2. **Dining Area Maintenance**
    - Set up and break down dining areas, including arranging tables, chairs, and tableware.
    - Maintain cleanliness and organization of the dining room and service stations.
    - Follow sanitation and safety standards to ensure a clean dining environment.
3. **Collaboration & Communication**
    - Coordinate with kitchen staff to ensure seamless service.
    - Communicate effectively with residents, addressing any questions or concerns.
    - Report resident feedback or meal-related issues to the supervisor promptly.
4. **Daily Duties/Tasks**
    - Cut and prepare green salad, tomatoes, cucumbers.
    - Do daily numbers and write and tag all food items in the walk-in and reach-in.

- Be exact on counts, do not make extra. Make what is necessary to cut down on food waste.
- Set-up tables.
- Take out and set-up bags for to-go's, dining room plates and containers.
- Prepare salads with shift B.
- Clear dining room.
- Wash and put away any dishes, including cook's dishes. Run dishes through dishwasher and put away.
- Wash down sinks and dry dishes and silverware and put away.
- Coffee set-up and breakdown.
- Help with stocking of all supplies. This should be done after everything else and includes drinks, dressings, coffee bar, plastic ware, napkins, coffee, Styrofoam cups and bowls, portion cups and lids, etc.

5. **Additional Duties**
   - Assist with special events, as needed.
   - Support other team members during high-volume service periods.
   - Adhere to facility policies and procedures.
   - Other duties as assigned.

Qualifications

- **Experience:**
  Prior experience in food service, preferably in a senior living, hospitality, or healthcare environment, is a plus but not required.
- **Skills:**
  - Strong interpersonal and communication skills.
  - Ability to work efficiently in a fast-paced environment.
  - Attention to detail and a focus on delivering excellent customer service.
- **Physical Requirements:**
  - Ability to stand, walk, and carry trays for extended periods.
  - Ability to lift up to 25 pounds.
- **Certifications:**
  Food handler's certification (preferred or must be obtained within 30 days of hire).

Work Environment

This role operates in a dynamic kitchen and dining environment. Servers may encounter moderate noise levels and must be comfortable interacting with residents and coworkers.

Acknowledgment

I have read this job description and fully understand the requirements set forth therein. I hereby accept the position of First Shift Server and agree to abide by the requirements set forth and will perform all duties and responsibilities to the best of my ability. I understand that as a result of my employment, I may be exposed to the TB, MRSA, AIDS and Hepatitis B Viruses and that the facility will make available to me, free of charge, the Hepatitis B vaccination.

I further understand that my employment is at-will, and thereby understand that my employment may be terminated at-will by the facility or myself and that such notice can be made with or without notice.

_____ _____

Employee Printed Name **Date**

_____

Employee Signature

EXHIBIT 26

to

Section §999.5(d)(5)(E)

Job Description – First Shift Village Server B

Bethel Lutheran Home is an equal opportunity employer and welcomes applications from all qualified candidates. We are committed to creating a diverse and inclusive work environment. If you are a dedicated and compassionate Server looking to make a meaningful difference in the lives of our residents, we encourage you to apply.

Position Overview:

The Server for The Village at Bethel Lutheran Home is essential in providing high-quality dining services to our residents, ensuring a welcoming and comfortable dining experience. The ideal candidate will have excellent customer service skills, attention to detail, and a passion for serving others.

Key Responsibilities

1. **Resident Dining Service**
    - Greet residents warmly and escort them to their tables.
    - Take and accurately relay food and beverage orders to the kitchen staff.
    - Serve meals in a professional and timely manner, ensuring special dietary requirements are met.
    - Refill beverages and attend to residents' needs throughout the meal.
2. **Dining Area Maintenance**
    - Set up and break down dining areas, including arranging tables, chairs, and tableware.
    - Maintain cleanliness and organization of the dining room and service stations.
    - Follow sanitation and safety standards to ensure a clean dining environment.
3. **Collaboration & Communication**
    - Coordinate with kitchen staff to ensure seamless service.
    - Communicate effectively with residents, addressing any questions or concerns.
    - Report resident feedback or meal-related issues to the supervisor promptly.
4. **Daily Duties/Tasks**
    - Set-up ice chest for break room with ice scoop and place in break room. Pick up at end of day.

- Cut fruit for fruit cups on social hour days, Monday and Friday. Cut fruit for fruit plates daily.
- Prepare garnish for the day. Make sure there is enough for regulars and alternates.
- Cut lemons for drink glasses.
- Be exact on counts, do not make extra. Make what is necessary to cut down on food waste.
- Cut the vegetables for the soup of the day (winter months only).
- Keep up on Chef's dishes.
- Dish out dessert and garnish appropriately, ask Chef for what garnish to use.
- Help set-up salads.
- Set-up drinks, fill the cups with ice and pour drinks.
- Both shifts clear dining room together and run cooks dishes through and put away.
- Both shifts wash and put away dishes together.
- Wash down sinks and dry dishes and silverware and put away.
- Bag to-go orders and alternate delivering meals.
- Set-up tables.
- Take out and set-up bags for to-go's, dining room plates and containers.
- Prepare salads with shift B.
- Clear dining room.
- Wash and put away any dishes, including cook's dishes. Run dishes through dishwasher and put away.
- Wash down sinks and dry dishes and silverware and put away.
- Coffee set-up and breakdown.
- Help with stocking of all supplies. This should be done after everything else and includes drinks, dressings, coffee bar, plastic ware, napkins, coffee, Styrofoam cups and bowls, portion cups and lids, etc.

5. **Additional Duties**
   - Assist with special events, as needed.
   - Support other team members during high-volume service periods.
   - Adhere to facility policies and procedures.
   - Other duties as assigned.

Qualifications

- **Experience:**
  Prior experience in food service, preferably in a senior living, hospitality, or healthcare environment, is a plus but not required.
- **Skills:**
  - Strong interpersonal and communication skills.
  - Ability to work efficiently in a fast-paced environment.
  - Attention to detail and a focus on delivering excellent customer service.
- **Physical Requirements:**
  - Ability to stand, walk, and carry trays for extended periods.
  - Ability to lift up to 25 pounds.
- **Certifications:**
  Food handler's certification (preferred or must be obtained within 30 days of hire).

Work Environment

This role operates in a dynamic kitchen and dining environment. Servers may encounter moderate noise levels and must be comfortable interacting with residents and coworkers.

Acknowledgment

I have read this job description and fully understand the requirements set forth therein. I hereby accept the position of First Shift Server and agree to abide by the requirements set forth and will perform all duties and responsibilities to the best of my ability. I understand that as a result of my employment, I may be exposed to the TB, MRSA, AIDS and Hepatitis B Viruses and that the facility will make available to me, free of charge, the Hepatitis B vaccination.
I further understand that my employment is at-will, and thereby understand that my employment may be terminated at-will by the facility or myself and that such notice can be made with or without notice.

_____ _____

Employee Printed Name **Date**

_____

Employee Signature

EXHIBIT 27

to

Section §999.5(d)(5)(E)

Job Description – Second Shift Village Server

Bethel Lutheran Home is an equal opportunity employer and welcomes applications from all qualified candidates. We are committed to creating a diverse and inclusive work environment. If you are a dedicated and compassionate Server looking to make a meaningful difference in the lives of our residents, we encourage you to apply.

Position Overview:

The Server for The Village at Bethel Lutheran Home is essential in providing high-quality dining services to our residents, ensuring a welcoming and comfortable dining experience. The ideal candidate will have excellent customer service skills, attention to detail, and a passion for serving others.

Key Responsibilities

1. **Resident Dining Service**
    - Greet residents warmly.
    - Take and accurately relay food and beverage orders to the kitchen staff.
    - Serve meals in a professional and timely manner, ensuring special dietary requirements are met.
    - Refill beverages and attend to residents' needs throughout the meal.
2. **Dining Area Maintenance**
    - Set up and break down dining areas, including arranging tables, chairs, and tableware.
    - Maintain cleanliness and organization of the dining room and service stations.
    - Follow sanitation and safety standards to ensure a clean dining environment.
3. **Collaboration & Communication**
    - Coordinate with kitchen staff to ensure seamless service.
    - Communicate effectively with residents, addressing any questions or concerns.
    - Report resident feedback or meal-related issues to the supervisor promptly.
4. **Daily Duties/Tasks**
    - Plate up desserts. Ask Chef on duty how they would like dessert garnished.

- Be exact on counts, do not make extra. Make what is necessary to cut down on food waste.
- Do cook's dishes.
- Get with servers A and B to discuss serving rotation for the day.
- Serve drinks, serve starters, serve lunch meal, and serve desserts.
- Help pick up dining room dishes after service with servers A and B.
- Follow rotations for clean up.
- Clear dining room.
- Wash and put away any dishes, including cook's dishes. Run dishes through dishwasher and put away.
- Wash down sinks and dry dishes and silverware and put away.
- Coffee set-up and breakdown.
- Help with stocking of all supplies. This should be done after everything else and includes drinks, dressings, coffee bar, plastic ware, napkins, coffee, Styrofoam cups and bowls, portion cups and lids, etc.

5. **Additional Duties**
   - Assist with special events, as needed.
   - Support other team members during high-volume service periods.
   - Adhere to facility policies and procedures.
   - Other duties as assigned.

Qualifications

- **Experience:**
  Prior experience in food service, preferably in a senior living, hospitality, or healthcare environment, is a plus but not required.
- **Skills:**
  - Strong interpersonal and communication skills.
  - Ability to work efficiently in a fast-paced environment.
  - Attention to detail and a focus on delivering excellent customer service.
- **Physical Requirements:**
  - Ability to stand, walk, and carry trays for extended periods.
  - Ability to lift up to 25 pounds.

- **Certifications:**
  Food handler's certification (preferred or must be obtained within 30 days of hire).

Work Environment

This role operates in a dynamic kitchen and dining environment. Servers may encounter moderate noise levels and must be comfortable interacting with residents and coworkers.

Acknowledgment

I have read this job description and fully understand the requirements set forth therein. I hereby accept the position of Second Shift Server and agree to abide by the requirements set forth and will perform all duties and responsibilities to the best of my ability. I understand that as a result of my employment, I may be exposed to the TB, MRSA, AIDS and Hepatitis B Viruses and that the facility will make available to me, free of charge, the Hepatitis B vaccination.
I further understand that my employment is at-will, and thereby understand that my employment may be terminated at-will by the facility or myself and that such notice can be made with or without notice.

_____ _____

Employee Printed Name **Date**

_____

Employee Signature

EXHIBIT 28

to

Section §999.5(d)(5)(E)

Job Description – Housekeeping / Laundry

Bethel Lutheran Home is an equal opportunity employer and welcomes applications from all qualified candidates. We are committed to creating a diverse and inclusive work environment. If you are a dedicated and compassionate Housekeeper looking to make a meaningful difference in the lives of our residents, we encourage you to apply.

Position Summary:

As a Housekeeper at Bethel Lutheran Home, you will be responsible for maintaining a clean, safe, and sanitary environment for residents, staff, and visitors. Your duties will include cleaning resident rooms, common areas, and other facility spaces according to established protocols. The ideal candidate will be detail-oriented, dependable, and committed to providing a pleasant and hygienic environment for all.

Key Responsibilities:

- **Cleaning and Maintenance:**
    - Clean and sanitize resident rooms, bathrooms, and common areas daily, following established cleaning protocols.
    - Dust, sweep, mop, vacuum, and polish floors and surfaces to ensure a spotless environment.
    - Clean and disinfect high-touch surfaces, such as door handles, light switches, and handrails, to prevent the spread of infections.
    - Empty trash receptacles and dispose of waste properly.
    - Launder linens, towels, and personal clothing as needed.
- **Safety and Compliance:**
    - Use cleaning products and equipment safely and efficiently, following manufacturer instructions and facility policies.
    - Maintain cleaning supplies and equipment, reporting any needs for repairs or replacements to the supervisor.
    - Adhere to all safety guidelines, including the proper use of personal protective equipment (PPE) and chemical handling procedures.
    - Comply with infection control policies and procedures to ensure a safe environment for residents and staff.

- **Resident Interaction:**
    - Interact with residents in a friendly and respectful manner, responding promptly to their requests for housekeeping services.
    - Respect residents' privacy and personal belongings, ensuring minimal disruption to their daily routines.
- **Team Collaboration:**
    - Work collaboratively with other housekeeping staff and facility team members to ensure a consistent and thorough cleaning schedule.
    - Assist with special cleaning projects and seasonal deep cleaning as directed by the supervisor.
- **Documentation and Reporting:**
    - Maintain accurate records of cleaning activities and report any maintenance or safety issues to the appropriate personnel.
    - Participate in staff meetings and training sessions to stay updated on cleaning protocols and facility policies.
    - Other Duties as Assigned.

Qualifications:

- **Education:**
    - High school diploma or equivalent preferred.
- **Experience:**
    - Previous housekeeping or janitorial experience in a healthcare setting preferred.
    - Knowledge of proper cleaning techniques and use of cleaning equipment.
- **Skills and Abilities:**
    - Strong attention to detail and commitment to maintaining high cleanliness standards.
    - Ability to work independently and manage time effectively.
    - Good communication and interpersonal skills.
    - Physical ability to perform cleaning tasks, including lifting, bending, and standing for extended periods.

Acknowledgment

I have read this job description and fully understand the requirements set forth therein. I hereby accept the position of Housekeeping / Laundry and agree to abide by the requirements set forth and will perform all duties and responsibilities to the best of my ability. I understand that as a result of my employment, I may be exposed to the TB, MRSA, AIDS and Hepatitis B Viruses and that the facility will make available to me, free of charge, the Hepatitis B vaccination.
I further understand that my employment is at-will, and thereby understand that my employment may be terminated at-will by the facility or myself and that such notice can be made with or without notice.

_____ _____

Employee Printed Name **Date**

_____

Employee Signature

EXHIBIT 29

to

Section §999.5(d)(5)(E)

Departmental Supervision, Nursing

Policy Statement

The nursing services department shall be under the direct supervision of a registered or licensed practical/ vocational nurse at all times.

Policy Interpretation and Implementation

1. A licensed nurse (RN/LPN/LVN) is on duty twenty-four hours per day, seven (7) days per week, to provide resident care services and supervise the nursing services activities provided by unlicensed staff. A licensed nurse is designated as a charge nurse on each shift.
   a. A "licensed nurse" may be a licensed practical nurse (LPN), licensed vocational nurse (LVN), or registered nurse (RN).
   b. A "charge nurse" is a licensed nurse with designated responsibilities that may include staff supervision, emergency coordination, provider or physician support and direct resident care.
   c. The director of nursing services (DNS) may serve as the charge nurse only when the average daily occupancy of the facility is 60 or fewer residents.
2. A registered nurse provides services at least eight (8) consecutive hours every 24 hours, seven (7) days a week. RNs may be scheduled more than eight (8) hours depending on the acuity needs of the resident.
3. Licensed nurses are required to supervise nurse aides/nursing assistants and are scheduled in such a way that permits adequate time to do so.
4. A registered nurse (RN) is employed as the director of nursing services (DNS). The DNS is on duty a minimum of 40 hours per week.
5. During the absence of the DNS, a nurse supervisor/charge nurse is responsible for the supervision of all nursing department activities including the supervision of direct care staff.
6. All licensed nurses hold a current unencumbered license in the state in which they practice.
7. Job descriptions for all nursing service personnel are on file in the business office and office of the director of nursing services (DNS).

References	
OBRA Regulatory Reference Numbers	§483.35(a) Sufficient Staff.; §483.70(f) Staff qualifications.
Survey Tag Numbers	F725; F839
Other References	
Related Documents	
Version	1.1 (H5MAPL0191)

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EXHIBIT 30

to

Section §999.5(d)(5)(E)

Licensure, Certification, and Registration of Personnel

Policy Statement

Employees who require a license, certification, or registration to perform their duties must present such verification with their application for employment.

Policy Interpretation and Implementation

1. Personnel who require a license, certification, or registration to perform their duties must present verification of such license/certification/registration to the human resources director/designee prior to or upon employment.
2. A copy of the current license, certification, or registration number must be filed in the employee's personnel record.
3. A copy of recertifications (e.g., annual, bi-annual, etc., as applicable) must be presented to the human resources director/designee upon receipt of such recertifications and prior to the expiration of current licensure, certification, and/or registration. A copy of the recertification must be filed in the employee's personnel record.
4. Our facility conducts employment background screening checks, reference checks, license verifications and criminal conviction investigation checks in accordance with current federal and state laws.
5. Personnel undergoing a background investigation, if employed, will not be permitted to perform any duties that require a license/certification/registration until such investigation reveals a current unencumbered license/certification/registration. Other duties performed during the investigation process must be performed under the direct supervision of a duly licensed/certified/registered employee.
6. Should the background investigation reveal that the employee/applicant does not hold a current unencumbered or valid license/certification/registration, the employee will not be employed (or discharged if employed) and appropriate state and federal officials will be notified of such information.
7. All inquiries concerning an employee's license/certification/registration should be directed to the administrator, director of nursing services, or to the human resource director.

References	
OBRA Regulatory Reference Numbers	§483.70(f) Staff qualifications.
Survey Tag Numbers	F839
Other References	
Related Documents	Background Screening Investigations
Version	1.0 (H5MAPL0468)

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EXHIBIT 31

to

Section §999.5(d)(5)(E)

Quality Assurance and Performance Improvement (QAPI) Program – Governance and Leadership

Policy Statement

The quality assurance and performance improvement program is overseen and implemented by the QAPI committee, which reports its findings, actions and results to the administrator and governing body.

Policy Interpretation and Implementation

1. The administrator, whether a member of the QAPI committee or not, is ultimately responsible for the QAPI program, and for interpreting its results and findings to the governing body.
2. The governing body is responsible for ensuring that the QAPI program:
   a. is implemented and maintained to address identified priorities;
   b. is sustained through transitions of leadership and staffing;
   c. is adequately resourced and funded, including the provision of money, time, equipment, training and staff coverage sufficient to conduct the activities of the program;
   d. is based on data, resident and staff input, and other information that measures performance; and
   e. focuses on problems and opportunities that reflect processes, functions and services provided to the residents.
3. The QAPI coordinator coordinates the activities of the QAPI committee.
4. The responsibilities of the QAPI committee are to:
   a. collect and analyze performance indicator data and other information;
   b. identify, evaluate, monitor and improve facility systems and processes that support the delivery of care and services;
   c. identify and help to resolve negative outcomes and/or care quality problems identified during the QAPI process;
   d. utilize root cause analysis to help identify where identified problems point to underlying systematic problems;
   e. help departments, consultants and ancillary services implement systems to correct potential and actual issues in quality of care;
   f. establish benchmarks and goals by which to measure performance improvement;
   g. coordinate the development, implementation, monitoring, and evaluation of performance improvement projects to achieve specific goals; and
   h. communicate all phases of the QAPI process to the administrator and governing body through sharing meeting minutes, committee activities and results of QAPI activities.
5. The committee has the full authority to oversee the implementation of the QAPI program, including, but not limited to, the following:
   a. Establishing performance and outcome indicators for quality of care and services delivered in the facility;
   b. Choosing and implementing tools that best capture and measure data about the chosen indicators;

continues on next page

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c. Appropriately interpreting data within the context of standards of care, benchmarks, targets and the strengths and challenges of the facility; and
d. Communicating the information gathered and their interpretation to the owner/governing board (body).

6. The following individuals serve on the committee:
   a. Administrator, or a designee who is in a leadership role;
   b. Director of nursing services;
   c. Medical director;
   d. Infection preventionist; and
   e. Representatives of the following departments, as requested by the administrator:
      (1) Pharmacy;
      (2) Social services;
      (3) Activity services;
      (4) Environmental services;
      (5) Human resources; and
      (6) Medical records.
7. The committee meets at least quarterly (or more often as necessary). Committee members are reminded of meeting day, time and location via e-mail at least two business days prior to the meeting.
8. Special meetings may be called by the administrator as needed to present issues that need to be addressed before the next regularly scheduled meeting.

References	
OBRA Regulatory Reference Numbers	§483.75(f) Governance and leadership. The governing body and/or executive leadership (or organized group or individual who assumes full legal authority and responsibility for operation of the facility) is responsible and accountable for ensuring that:
Survey Tag Numbers	F865
Other References	
Related Documents	Quality Assurance and Performance Improvement (QAPI) Program
Version	1.3 (H5MAPL0696)

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EXHIBIT 32

to

Section §999.5(d)(5)(E)

Bethel Lutheran Home

Health inspections

State inspectors conduct yearly health and safety inspections of nursing homes for compliance with Medicare and Medicaid regulations. A nursing home may also be inspected based on a complaint submitted by a resident (or other individual), or based on a facility's self-reported incident. Nursing homes are also inspected for compliance with infection control and prevention standards.

Learn more about health inspections

Health inspections rating

★★★☆☆

Average

The health inspection star rating is based on each nursing home's current health inspection and 2 prior inspections, as well as findings from the most recent 3 years of complaint inspections and 3 years of infection control inspections.

Most recent health inspection

Date of most recent inspection

10/28/2024

Read the full report (PDF)

Total number of health citations

Lower is better

16

Average number of health citations in the U.S.: 9.6

Average number of health citations in California: 16.3

Complaint inspections

Date(s) of complaint inspection(s) between 4/1/2024 - 3/31/2025

11/15/2024
Read the full report (PDF)

Number of complaints in the past 3 years that resulted in a citation
Lower is better

0

Number of times in the past 3 years a facility-reported issue resulted in a citation
Lower is better

1

Infection control inspections

Date(s) of infection control inspection(s) between 4/1/2024 - 3/31/2025

No infection control inspections

Number of citations from infection control inspections in the past 3 years
Lower is better

This provider has had no infection control inspections in the past 3 years

View all health inspection, infection control inspection, complaint, and facility-reported issue details

Note: Some inspection reports may include explicit language that some people may find offensive. We include this language to accurately document verbal communications related to inspection findings.

EXHIBIT 33

to

Section §999.5(d)(5)(E)

Bethel Lutheran Home

Quality measures

Learn more about quality measures

Find out why these short-stay measures are important

Find out why these long-stay measures are important

Get current data collection period

Quality measures rating

Below average

Short-stay quality measures

Much below average

Long-stay quality measures

Average

EXHIBIT 34

to

Section §999.5(d)(5)(E)

Bethel Lutheran Home

Staffing

Higher staffing levels and lower staffing turnover in a nursing home may mean higher quality of care for residents. Hours worked by different types of staff are reported by nursing homes, and are used to calculate a ratio of staffing hours per resident per day and the staffing turnover rate. Hours per resident per day describe the average amount of time staff are available to spend with each resident each day. Staff turnover describes how many staff stop working at the facility within a given year.

Learn more about staffing

Staffing rating

Above average

Staffing levels and turnover of staff in nursing homes may impact the quality of care nursing home residents get. Higher staffing ratings mean there are more nursing staff and less turnover of the staff, which may mean higher quality of care. The staffing rating is based on these measures:

1. Registered Nurse (RN) hours per resident per day in a three-month period;
2. Total nurse staffing (including RN, licensed practical nurse (LPN), and nurse aide) hours per resident per day in a three-month period;
3. Total nurse staffing hours per resident per day on the weekend in a three-month period;
4. Total nurse staff turnover within a given year;
5. RN turnover within a given year; and
6. Number of administrators who have left the nursing home within a given year.

The hours per resident per day represent each facility's average over the last reported three-month quarter. For example, if the RN hours per resident per day is 45 minutes, then an average of 45 minutes of RN care are available to each resident throughout the day. However, these measures don't necessarily show the number of staff present at

any given time, or reflect the amount of care given to any one resident. Additionally, these measures include nursing staff with administrative duties. Individual residents may experience different staffing interactions on any given day based on the particular care they need.

There are other staff in a nursing home that aren't captured in these measures or ratings, but still provide care and services to residents. These include staff in rehab therapy, social services, food and nutrition services, and others.

Average number of residents per day

55.1
National average: 83.8
California average: 86.5

Total number of nurse staff hours per resident per day
↑ *Higher numbers are better*

4 hours and 10 minutes
National average: 3 hours and 52 minutes
California average: 4 hours and 28 minutes

- **Registered Nurse hours per resident per day**
  ↑ *Higher numbers are better*

  22 minutes
  National average: 40 minutes
  California average: 37 minutes

- **LPN/LVN hours per resident per day**
  ↑ *Higher numbers are better*

  1 hour
  National average: 52 minutes

  California average: 1 hour and 14 minutes

Nurse aide hours per resident per day
↑ *Higher numbers are better*

2 hours and 48 minutes
National average: 2 hours and 19 minutes
California average: 2 hours and 37 minutes

Total number of nurse staff hours per resident per day on the weekend
↑ *Higher numbers are better*

3 hours and 40 minutes
National average: 3 hours and 25 minutes
California average: 4 hours and 3 minutes

Physical therapist staff hours per resident per day
↑ *Higher numbers are better*

1 minute
National average: 4 minutes
California average: 5 minutes

Registered Nurse (RN) staffing

Registered nurses (RNs) are licensed healthcare professionals who are responsible for the coordination, management and overall delivery of care to the residents. Some nursing home residents who are sicker than others may require a greater level of care, and nursing homes that have more RN staff may be better able to meet the needs of those residents.

Average number of residents per day

55.1
National average: 83.8
California average: 86.5

Registered Nurse hours per resident per day
↑ *Higher numbers are better*

22 minutes
National average: 40 minutes
California average: 37 minutes

Registered Nurse hours per resident per day on the weekend
↑ *Higher numbers are better*

15 minutes
National average: 28 minutes
California average: 28 minutes

Staff turnover

Staff turnover is the percent of nursing staff or number of administrators that stop working in a facility within a given year. Low turnover indicates that facilities generally retain their staff for longer periods of time. Lower turnover is preferred because staff who work in facilities for longer periods of time may become more familiar with the residents and the facility's operating procedures.

Total nursing staff turnover
↓ *Lower numbers are better*

41%
National average: 47.5%
California average: 40%

Registered Nurse turnover

Lower numbers are better

33.3%

National average: 44.4%

California average: 41.4%

Number of administrators who have left the nursing home

Lower numbers are better

0

National average: 0.6

California average: 0.5

EXHIBIT 35

to

Section §999.5(d)(5)(E)

Labor Turnover

	Jan-25	Feb-25	Mar-25	Apr-25	May-25	**Average**
All Employees *	118	111	110	112	107	112
SNF Direct Nursing Only **	57	53	52	54	52	54
SNF Nurse Assistants ***	37	36	36	38	35	36

Open positions
Human Resources

EXHIBIT 36

to

Section §999.5(d)(5)(E)

BETHEL LUTHERAN HOME – RESIDENTS RIGHTS

Residents of Bethel Lutheran Home are entitled to certain rights and protections designed to ensure their dignity, safety, and well-being. These rights are based on federal and state laws, such as the Nursing Home Reform Act (NHRA) and the Americans with Disabilities Act (ADA). Here are some of the core rights residents have:

1. **Right to Dignity and Respect**
   Residents have the right to be treated with respect and dignity at all times. They should receive care that promotes their independence, privacy, and personal preferences.

2. **Right to Privacy**
   Residents have the right to privacy in their rooms, communications, and during personal care. This includes the ability to make phone calls, send mail, and receive visitors without interference.

3. **Right to Make Decisions**
   Residents can make decisions regarding their care, including the right to refuse or discontinue treatment. They can also participate in the development and review of their care plan.

4. **Right to Freedom from Abuse and Neglect**
   Bethel Lutheran Home is prohibited from subjecting residents to physical, emotional, or verbal abuse, neglect, or exploitation. This includes financial abuse or mistreatment by staff, visitors, or other residents.

5. **Right to Access Personal and Medical Information**
   Residents have the right to access their medical records and information about their health conditions. They may also choose who is allowed to review and discuss this information.

6. **Right to Equal Treatment**
   Discrimination based on race, gender, sexual orientation, religion, or disability is prohibited. Residents have the right to be treated fairly and equally.

7. **Right to Visitors and Social Interaction**
   Residents are entitled to have visitors, including family, friends, and advocates, at reasonable times. Social interaction and community involvement should be encouraged.

8. **Right to Be Informed**
   Residents must be informed about their rights, their care plans, and any significant changes in their condition or treatment. They also have the right to be informed about any rules or regulations governing the facility.

9. **Right to Participate in Activities**
   Residents have the right to participate in recreational, social, and religious activities. These activities should be designed to enhance their quality of life.

10. **Right to File Complaints**
    Residents have the right to file complaints or grievances regarding their care or treatment without fear of retaliation. They can file complaints with facility management, the state survey agency, or advocacy organizations.

11. **Right to Control Finances**
    Residents are allowed to manage their own finances or designate someone to do so. The facility must protect their financial assets and keep their funds secure.

These rights are fundamental to the quality of care that Bethel Lutheran Home provides, and it is important for residents and their families to be aware of these protections. If rights are violated, residents have avenues for seeking help, including reporting to regulatory bodies or advocacy groups.

_____ _____

Employee Printed Name **Date**

_____

Employee Signature

EXHIBIT 37

to

Section §999.5(d)(5)(E)

Dignity

Policy Statement

Each resident shall be cared for in a manner that promotes and enhances his or her sense of well-being, level of satisfaction with life, and feelings of self-worth and self-esteem.

Policy Interpretation and Implementation

1. Residents are treated with dignity and respect at all times.
2. The facility culture supports dignity and respect for residents by honoring resident goals, choices, preferences, values and beliefs. This begins with the initial admission and continues throughout the resident's facility stay.
3. Individual needs and preferences of the resident are identified through the assessment process.
4. Residents may exercise their rights without interference, coercion, discrimination or reprisal from any person or entity associated with this facility.
5. When assisting with care, residents are supported in exercising their rights. For example, residents are:
   a. groomed as they wish to be groomed (hair styles, nails, facial hair, etc.);
   b. encouraged to attend the activities of their choice, including religious, political, civic, recreational, or social activities;
   c. encouraged to dress in clothing that they prefer;
   d. allowed to choose when to sleep, eat and conduct activities of daily living; and
   e. provided with a dignified dining experience.
6. Residents' private space and property are respected at all times. Staff do not handle or move a resident's personal belongings without the resident's permission.
7. Staff are expected to knock and request permission before entering residents' rooms.
8. Staff speak respectfully to residents at all times, including addressing the resident by his or her name of choice and not "labeling" or referring to the resident by his or her room number, diagnosis, or care needs.
9. Staff inform and orient residents to their environment. Procedures are explained before they are performed and residents will be told in advance if they are going to be taken out of their usual or familiar surroundings.
10. Staff protect confidential clinical information. Examples include the following:
    a. Verbal staff-to-staff communication (e.g., change of shift reports) are conducted outside the hearing range of residents and the public.
    b. Signs indicating the resident's clinical status or care needs are not openly posted in the resident's room unless specifically requested by the resident or family member. Discreet posting of important clinical information for safety reasons is permissible (e.g., taped to the inside of the closet door).
    c. In the interest of public health, posting the resident's isolation status or transmission-based precautions is permissible as long as the type of infection remains confidential.
    d. The display of the resident's name on the door or the presence of memorabilia among the resident's belongings is not considered a violation of the resident's privacy or dignity.

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11. Staff promote, maintain and protect resident privacy, including bodily privacy during assistance with personal care and during treatment procedures.
12. Demeaning practices and standards of care that compromise dignity are prohibited. Staff are expected to promote dignity and assist residents; for example:
    a. helping the resident to keep urinary catheter bags covered;
    b. promptly responding to a resident's request for toileting assistance; and
    c. allowing residents unrestricted access to common areas open to the public, unless this poses a safety risk for the resident.
13. Staff are expected to treat cognitively impaired residents with dignity and sensitivity; for example:
    a. addressing the underlying motives or root causes for behavior; and
    b. not challenging or contradicting the resident's beliefs or statements.

References	
OBRA Regulatory Reference Numbers	§483.10(a) Resident Rights; §483.10(b) Exercise of Rights
Survey Tag Numbers	F550
Other References	
Related Documents	Resident Rights Residents Involved with the Criminal Justice System
Version	1.2 (H5MAPL1201)
Revision Date	February 2021

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EXHIBIT 38

to

Section §999.5(d)(5)(E)

Activation of Emergency Management Plan

Policy Statement

The facility has emergency response guidelines and procedures for activation of an emergency response.

Policy Interpretation and Implementation

1. Any staff member aware of a crisis or disaster situation must notify his or her immediate supervisor and/or the administrator.
2. In the event of a crisis or disaster situation (or notification of the potential for one), the most qualified staff member (in respect to the incident command system) on duty at the time assumes the incident commander position.
3. The facility ensures that all staff members are trained on the incident command system and identifies qualified/trained individuals who may assume the role of incident commander throughout the facility on all shifts.
4. The incident commander, in conjunction with the administrator (if the administrator does not function as the incident commander), has the responsibility to declare a situation a disaster and to activate the emergency management plan.

Procedure

1. Communicate the appropriate code to bring leadership staff to the pre-designated incident command post and alert the facility of a disaster status.
2. Instruct staff to remain in their assigned areas to begin implementation of related emergency procedures and then report to the incident command post as called.
3. Activate the recall roster if the incident commander determines the situation requires such action.
4. If staff members are called in from home to respond to the emergency, they do so after rendering their families safe and will report to the facility in a safe manner.
5. Activate the appropriate parts of the plan, based on the type of disaster that has occurred.
6. Notify the following as needed:
   a. Emergency management services – CALL 911 if not already notified;
   b. Administrator, director of maintenance and director of nursing to potentially activate recall roster;
   c. Other key individuals within the organization (owner, corporate contact); and
   d. Local, regional, tribal and state emergency management agencies, and state licensing and certification agencies.
7. Follow the guidance provided in the plan for the specific crisis or disaster situation.

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References	
OBRA Regulatory Reference Numbers	§483.73 Emergency preparedness.; §483.73(a) Emergency Plan.
Survey Tag Numbers	E-0001; E-0004
Other References	
Related Documents	Activation of Incident Command System (ICS) Call-In of Off-Duty Personnel/Recall Roster Incident Action Plan (IAP)
Version	1.2 (PEMAPL0019)

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EXHIBIT 39

to

Section §999.5(d)(5)(E)

OSHA Forms 300, 300A, and 301

Policy Statement

Our facility will record OSHA recordable injuries and illnesses on an OSHA Form 300 within seven (7) calendar days of receiving information about the occupational injury/illness.

Policy Interpretation and Implementation

1. Within seven (7) working days from the time an injury is reported to management (e.g., employee supervisor, department supervisor, etc.), an accident/incident report will be submitted to the safety officer to determine if such injury is recordable (work-related) under the OSHA program requirements.
2. The OSHA Form 301 (Injury and Illness Incident Report) or a facility-approved form may be used to record work-related injuries or illnesses.
3. An injury or illness is considered work-related (recordable) if an event or exposure in the work environment caused or contributed to the condition or significantly aggravated a preexisting condition. Work-related is presumed for injuries and illnesses resulting from events or exposures occurring in the workplace.
4. On February 1st of each year, OSHA Form 300A (Summary of Work-Related Injuries and Illnesses) will be posted on the employee bulletin board. This report will remain on the bulletin board until April 30th of that year. Such report will be posted even if no work-related injuries or illnesses occurred.
5. OSHA Forms 300, 300A and 301 will be kept on file in the business office for a period of five (5) years.
6. Inquiries concerning the recording of work-related occupational injuries and illnesses should be referred to the safety and health program coordinator or his/her designee.
7. If OSHA forms are voluntarily disclosed to persons other than government representatives, employees, former employees or authorized representatives (as required by §§1904.35 and 1904.40), employees' names and other personally identifying information shall be removed or hidden, except under the circumstances listed below.
8. Forms with personally identifying information may be disclosed only:
   a. to an auditor or consultant hired by the employer to evaluate the safety and health program;
   b. to the extent necessary for processing a claim for workers' compensation or other insurance benefits; or
   c. to a public health authority or law enforcement agency for uses and disclosures for which consent, an authorization, or opportunity to agree or object is not required under Department of Health and Human Services Standards for Privacy of Individually Identifiable Health Information (45 CFR 164.512).

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EXHIBIT 40

to

Section §999.5(d)(5)(E)

Personnel Records

Policy Statement

Our facility maintains certain records for each employee which are directly related to his/her employment.

Policy Interpretation and Implementation

1. Federal and state regulations require that our facility maintain an individual personnel record for each employee. However, it shall be the employee's responsibility to provide the HR director with the required data. This responsibility also entails notifying, in writing, the HR director of any change in the required data (i.e., the employee is responsible for keeping the required data current).
2. Should it become necessary for an employee to furnish additional data or records, the employee will be notified in writing by the HR director, and such data must be completed and provided to the HR director within the time frame specified on the written notice.
3. Personnel records contain, as each may apply, the following data:
   a. The employee's full name, address (including zip code), date of birth, sex, and Social Security number;
   b. Job application;
   c. Job description(s);
   d. Orientation and training program records;
   e. Performance evaluations;
   f. Employment references, letters, etc.;
   g. Record of pay-rates/changes, dependents;
   h. Record of grievances;
   i. Record of disciplinary actions/warning notices;
   j. Acknowledgments of receiving information;
   k. Miscellaneous correspondence;
   l. Copy of current licenses (as applicable);
   m. Others as appropriate or necessary; and
   n. Documentation of each meeting held between the employee and his/her supervisor, department director, and/or office manager.
4. Payroll records are maintained in a separate record and include the following data:
   a. The employee's full name, address (including zip code), date of birth, sex, and Social Security number;
   b. Date of employment;
   c. Salary or hourly wage schedule;
   d. When the workweek begins;
   e. Type of job;
   f. Regular hours worked each pay period;
   g. Basis on which employee's wages are paid (e.g., amount paid hourly or weekly);
   h. Overtime hours worked each pay period;
   i. Total regular and overtime earnings per pay period;

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j. All additions or deductions for each pay period;
k. Net earnings for each pay period;
l. Date of wage payments and period covered;
m. Date of termination/discharge; and
n. Others as appropriate or necessary.

5. Employee personnel records will be reviewed annually by the HR director to ensure that only relevant information is contained in the employment record. Any material that is irrelevant, inaccurate, obsolete, or no longer needed will be removed from the file and destroyed.
6. Should it be necessary to obtain information from an outside source, the employee will be informed of the identity of the source and the reason(s) why such information is necessary.
7. An employee is permitted to inspect, but not remove, his/her individual personnel record upon request. Requests must be in writing and submitted to the HR director. An appointment will be made, and the employee will be informed of the date and time to report to the personnel department.
8. An employee may make copies of his/her personnel record. A charge may be made for each copy. (Note: The cost of making copies will not exceed that normally charged for such services.)
9. Should an employee, after receiving his/her record, believe that certain documents are irrelevant, inaccurate, obsolete, or no longer needed, he/she may make a written request to the HR director identifying such documents, and requesting that such documents be removed from his/her file.
10. Should the HR director disagree with the request for removal, a written notice will be provided to the employee explaining why the records should remain in the employee's file.
11. Should the employee be dissatisfied with the HR director's decision, the employee will be permitted to place a written statement of disagreement in his/her file. (Note: The employee may file a grievance and pursue the matter in accordance with our established grievance procedures.)
12. All requests from outside sources concerning an employee's personnel record will be referred to the administrator. Only the following information will be released without the employee's written consent:
    a. Dates of employment;
    b. Position(s) held; and
    c. Job location.
13. A written record of all personnel information released will be maintained and filed in the employee's personnel record.
14. Only those persons with a need-to-know basis (i.e., administrator, personnel department, emergency medical personnel, government officials, etc.) will have access to an employee's personnel records.
15. Personnel records shall be retained for a period of not less than five (5) years unless otherwise required by federal or state laws.
16. Inquiries concerning the release of personnel information should be referred to the HR director.

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References	
OBRA Regulatory Reference Numbers	
Survey Tag Numbers	
Other References	
Related Documents	Changes in Status, Personnel Records Grievance Procedures, Personnel Grievances, Personnel Release of Employee Information
Version	1.1 (H5MAPL0626)
Revision Date	January 2008

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EXHIBIT 41

to

Section §999.5(d)(5)(E)

Injuries (On-the-Job)

Policy Statement

All injuries that occur to an employee while performing his/her job shall be reported to the employee's department director and/or supervisor.

Policy Interpretation and Implementation

1. Regardless of the nature or severity of the injury, all on-the-job injuries occurring on our premises or to our employees while performing their jobs shall be reported to the injured employee's department director and/or supervisor.
2. On-the-job injuries include, but are not limited to, the following events:
   a. Needlesticks/sharps accidents;
   b. Minor cuts, abrasions, and bruises;
   c. Lacerations;
   d. Severe bruises/contusions (with or without fracture);
   e. Muscle strains or sprains;
   f. Severe pain or discomfort, which may or may not be related to performance of job duties;
   g. Episodes of loss of consciousness or seizures; and
   h. Falls.
3. Emergency first aid treatment will be provided to an injured employee, unless the employee refuses such treatment.
4. Injuries shall be reported on the shift in which the injury occurred. Accident/incident reports shall be completed for all on-the-job injuries. The supervisor or department head shall forward such reports to the administrator for review and filing in the employee's medical record.
5. Failure to report an on-the-job injury to the appropriate individual in a timely fashion may result in disciplinary action.

References	
OBRA Regulatory Reference Numbers	
Survey Tag Numbers	
Other References	29 CFR 1904 - OSHA Recording and Reporting Occupational Injuries and Illnesses
Related Documents	Accidents/Incidents (Employee)
Version	1.1 (H5MAPL0411)

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EXHIBIT 42

to

Section §999.5(d)(5)(E)

Conduct and Behavior

Policy Statement

All employees must accept certain responsibilities; adhere to acceptable business practices in matters of conduct and behavior; and exhibit a high degree of personal integrity at all times.

Policy Interpretation and Implementation

1. Conduct that interferes with the care of residents or the overall mission of the facility, or any act that is offensive to a resident, family member, visitor, or employee, will not be condoned and may be grounds for disciplinary action.
2. Examples of conduct and behavior that are considered inappropriate and are therefore prohibited by this policy include, but are not limited to, the following:
   a. Chronic absenteeism or tardiness;
   b. Failure to treat all residents, visitors, and fellow employees with kindness, respect, and dignity;
   c. Being discourteous to residents, visitors, and fellow employees;
   d. Not following all safety precautions, including smoking restrictions;
   e. Failure to perform assigned tasks efficiently and in accordance with established procedures;
   f. Any behavior that is deemed offensive or unsafe;
   g. Not keeping work places clean, safe, and free of debris;
   h. Failure to take meal and break periods in designated locations;
   i. Not following instructions given by department directors/supervisors;
   j. Not using and caring for facility property and supplies in a safe and economical manner;
   k. Bringing onto the premises firearms, alcoholic beverages, and/or illegal, non-prescribed drugs and narcotics;
   l. Gambling on facility property;
   m. Removing facility equipment or supplies from the premises without proper authorization;
   n. Using profanity, abusive or suggestive language or gestures;
   o. Selling or soliciting any item(s) on facility property without the consent of the administrator;
   p. The unauthorized release of resident or facility information; and
   q. Violating any policy or procedure established by this facility.
3. Conflicts between employees are not to be discussed in front of visitors or residents, and should always be settled in a calm, professional manner.
4. Interpersonal conflicts that lead to disruption in the care of residents or the overall mission of the facility may result in disciplinary action, including termination of employment.
5. Department directors/supervisors should assist employees in settling conflicts. When conflicts cannot be settled, a grievance should be filed in accordance with our grievance procedures.

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References	
OBRA Regulatory Reference Numbers	
Survey Tag Numbers	
Other References	
Related Documents	Courtesy Dress Code and Personal Hygiene Substance Abuse
Version	1.3 (H5MAPL0145)
Revision Date	May 2019

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EXHIBIT 43

to

Section §999.5(d)(5)(E)

Disciplinary Action

Policy Statement

Any employee who violates our facility's policies, procedures, and/or work rules may be subject to disciplinary action, including termination.

Policy Interpretation and Implementation

1. Disciplinary action may be used to correct deficient performances and secure compliance with our working policies.
2. Prompt and courteous attention to the needs of our residents, the following of established job descriptions, work assignments, infection control techniques, etc., must be our common concern. Anything less than professional behavior is not only inappropriate but is a hindrance to the well-being of all concerned.
3. All employees are expected to observe the facility's rules of conduct and job safety. It is each employee's responsibility to report violations of our personnel policies, safety regulations, operational policies and procedures, or any reasonable suspicion of a crime.
4. Violations of established policies and procedures will result in the following disciplinary action:
   a. 1st Offense—Oral Reprimand:
      (1) The department director will meet with the employee to discuss the infraction and what action needs to be taken to prevent further violations.
      (2) The department director will prepare a written report of the counseling session.
      (3) This record will be maintained by the director and should not be placed in the employee's file.
   b. 2nd Offense—Written Reprimand:
      (1) The department director will meet with the employee to discuss the infraction and what action is needed to prevent further violations.
      (2) The department director will prepare a signed and dated written reprimand outlining the infraction, what action is needed to resolve the infraction, the employee's account of what happened, and the signature and date of the employee and supervisor. A copy of the written reprimand will be provided to the employee.
      (3) If the 2nd offense has occurred within 6 months of the first offense for the same issue, a copy will be provided to the human resources director for inclusion in the employee's personnel record.
   c. 3rd Offense—Written Reprimand and 3-day Suspension:
      (1) The department director and human resources director will meet with the employee to discuss the infraction and inform the employee that he/she will be suspended for three (3) days without pay, and that any further infractions may result in termination of employment.
      (2) The department director will inform the employee of the reason for the meeting. The employee may choose a co-worker to accompany him/her to the meeting to act as an observer.
      (3) The department director will prepare a signed and dated written report of the actions leading up to this step, including the time between each infraction, and a summary of the infractions and recommended solutions.
      (4) A copy of the written reprimand and 3-day suspension will be provided to the employee, and a copy will be filed in the employee's personnel record.

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d. 4th Offense—Termination of Employment:
   (1) The department director and human resources director will meet with the employee to discuss the infraction and inform the employee that his/her employment has been terminated.
   (2) The department director will inform the employee of the meeting and its purpose.
   (3) The department director will prepare a signed and dated written report and provide a copy to the employee and to the human resources director for inclusion in the employee's personnel record.

5. If the disciplinary action is associated with suspected abuse, neglect, exploitation or misappropriation of funds of a resident, there will be a full investigation and appropriate action taken, consistent with the facility abuse investigation and reporting policy.
6. If an employee is suspected of violating a state or federal law, the administrator will report the suspicion to the local law enforcement agency.
7. Employees will not be requested to take, agree to or submit results of polygraph or other "lie detector" tests.
8. Should an employee feel he/she has been unfairly disciplined, he/she is encouraged to file a grievance through our established grievance procedure.
9. If an employee refuses to sign a warning notice, the refusal will be recorded on the notice.
10. The disciplinary procedures outlined in this policy are discretionary. The facility retains the right to alter, amend, modify, delete, bypass, add to, and/or eliminate any and/or all of the procedures set forth in this policy.

References	
OBRA Regulatory Reference Numbers	§483.12(c) In response to allegations of abuse, neglect, exploitation, or mistreatment, the facility must:
Survey Tag Numbers	F609
Other References	
Related Documents	Grievance Procedures, Personnel Grievances, Personnel
Version	1.2 (H5MAPL0211)
Revision Date	May 2019

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EXHIBIT 44

to

Section §999.5(d)(5)(E)

Grievance Procedures, Personnel

Policy Statement

Grievance procedures have been established by the facility and must be followed by all personnel.

Policy Interpretation and Implementation

1. **Administrative Guidelines:**
   a. Time limits specified herein are actual work days (Monday – Friday) except holidays.
   b. Action at each step of the grievance procedure should be taken as rapidly as possible, but not later than the time allowed for that step of the grievance procedure, except as set forth in subsection "c." below.
   c. In the event of extenuating circumstances, a time limit may be extended by mutual agreement of the parties at that step of the grievance.
   d. Request for extension must be presented at least 24 hours before the scheduled time limit ends.
   e. Request must be in writing and must include the reason(s) for the delay and how much additional time will be needed.
   f. Grievance hearings will be scheduled at mutually agreed times. Hearings are considered "work-time," except in cases where the employee has been suspended or terminated from employment. (Note: Grievance hearings are exempt from minimum call-in pay policies.)
   g. An employee must follow, in order, each step of this grievance procedure until the grievance is resolved. An employee is not allowed to skip any step of this procedure. (Note: See subsection "m." below.)
   h. New grievance issues may not be raised or included by either party at the grievance hearings. Only the original issue may be presented. Should any new grievance(s) arise, it (they) must be presented as new grievances and begin at Step One.
   i. A written report of the complaints, facts, and information accumulated will be forwarded to the human resources director at each step. Also, if the complaint was not resolved at that step, such report, along with copies of the grievance and appeals, will be provided to all personnel involved in the next step of the grievance procedures.
   j. The human resources director will assist any employee in filing his/her grievance, at any step, upon the employee's request.
   k. All information presented, including any testimony, will be treated as confidential information by all persons involved in the grievance proceedings.
   l. Despite any implementation of this policy, the facility reserves the right to administer disciplinary action against any employee for any reason so long as such disciplinary action is not in retaliation for the employee's use of this grievance procedure.
   m. The facility reserves the right to alter, amend, modify, delete, suspend, add to, and/or eliminate this policy and any step or procedure herein, in whole or in part.
   n. This policy does not create a contract, either expressed or implied. Neither this policy nor any implementation thereof alters the employment-at-will status of any employee of this facility.

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2. **Step One:**
   a. Every reasonable effort should be made by the employee and his/her immediate supervisor to resolve any grievance or complaint.
   b. Employees shall first discuss any complaint or grievance with their immediate supervisor within 10 working days of the occurrence of the grievance. If the employee's grievance or complaint involves his/her immediate supervisor, the employee may bypass Step One and proceed directly to Step Two of this procedure.
   c. Supervisors shall make reasonable efforts to answer any employee's questions and resolve complaints presented to them. Such answers or recommended solutions must be provided to the employee within 10 working days of the meeting with the employee.
   d. If the employee's complaint or grievance was not satisfactorily resolved, the employee may proceed to Step Two and make his/her grievance known to his/her department director.
   e. An employee may meet with the human resources director to receive guidance and assistance in presenting his/her grievance to the next step. (Note: Requests for such meetings should be scheduled during normal business hours.)

3. **Step Two:**
   a. If an employee's grievance or complaint has not been satisfactorily resolved, a grievance may be filed with his/her department director.
   b. The request for a hearing must be in writing, must include the grievance, and must be made within 10 working days of the decision in Step One.
   c. The department director will arrange for a hearing within 10 working days of receiving the complaint and shall notify the employee of the date, time, and place of such hearing.
   d. The department director will make every reasonable effort to resolve the employee's complaint or grievance. A written response must be provided to the employee within 10 working days of hearing the complaint. Such response must include the department director's recommended solution(s).

4. **Step Three:**
   a. If an employee's grievance or complaint has not been satisfactorily resolved, a grievance may be filed with the human resources director.
   b. The grievance must be in writing and submitted to the human resources director within 10 working days after receiving the decision in Step Two.
   c. The human resources director will conduct a preliminary investigation for an analysis and discussion and meet with the employee within 10 working days of receiving the complaint.
   d. The human resources director will make every reasonable effort to resolve the employee's grievance. A written response will be provided to the employee. A copy will also be provided to the administrator.
   e. If the employee's complaint or grievance is not satisfactorily resolved, the employee may proceed to Step Four and make his/her grievance known to the administrator.

5. **Step Four:**
   a. If an employee's grievance or complaint has not been satisfactorily resolved, a grievance may be filed with the administrator.
   b. The grievance must be in writing and submitted to the administrator within 10 working days after receiving the decision in Step Three.
   c. The administrator will review all the facts in the grievance and meet with the employee within 10 working days of receiving the complaint or grievance.
   d. The administrator will make every effort to resolve the employee's grievance. A written response will be provided to the employee.

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e. If the employee's complaint or grievance is not satisfactorily resolved, the employee may proceed to Step Five and make his/her grievance known to the grievance committee.

6. **Step Five:**
   a. If an employee's grievance or complaint was not satisfactorily resolved in Step 4, a grievance may be filed with the grievance committee.
   b. The grievance must be in writing and submitted to the grievance committee within 10 working days after receiving the decision in Step Four.
   c. The grievance committee will review all the facts and meet with the employee within 10 working days of receiving the complaint or grievance.
   d. A decision issued by the grievance committee is final and binding on all concerned.
   e. A written response will be provided to the employee and administrator.

References	
OBRA Regulatory Reference Numbers	
Survey Tag Numbers	
Other References	
Related Documents	Grievances, Personnel
Version	1.1 (H5MAPL0356)
Revision Date	December 2009

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Grievances, Personnel

Policy Statement

Our facility encourages our employees to bring any complaints about job-related situations to the attention of their department directors, supervisors, or the office manager.

Policy Interpretation and Implementation

1. A grievance is defined as a complaint that an employee may have about his/her work, rate of pay, job assignment, treatment, etc., or any other problem that is job-related.
2. Any employee who has a personal complaint against this facility, another employee, staff member, resident, or visitor; or who is dissatisfied with his/her working conditions, job assignment, compensation, general treatment; or feels he/she is being discriminated against may file a grievance with management or other agencies as outlined within our policies **without** fear of threat or any other form of reprisal.
3. Grievances should be filed within the allotted time period assigned for each step. Failure to do so may indicate that the grievance has been resolved and further action may be prohibited.
4. Decisions on grievances do not necessarily indicate that decisions on like matters will be the same, unless otherwise stated in our policies.
5. All grievances will be maintained in confidence. Only those persons involved in the grievance process will have access to such information.
6. A copy of all grievances filed by an employee, as well as the recommended solutions, will be filed in the employee's personnel record. In the case of a sexual harassment claim, if there is a finding that no harassment occurred, no report will be filed in any employee's personnel record, unless an employee alleged his/her harassment claim in bad faith.
7. A supply of grievance forms is maintained by department directors and/or the human resources director.

References	
OBRA Regulatory Reference Numbers	
Survey Tag Numbers	
Other References	
Related Documents	Grievance Procedures, Personnel Sexual Harassment
Version	1.1 (H5MAPL0358)
Revision Date	December 2009

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EXHIBIT 45

to

Section §999.5(d)(5)(E)

Antiharassment

Policy Statement

This facility is committed to providing a work place free of verbal, physical, sexual, or other forms of employee or co-worker harassment or abuse.

Policy Interpretation and Implementation

1. Harassment or abuse based on gender, gender identity, race, national origin, religion, age, disability, sexual orientation or any other basis prohibited by local, state, or federal law is strictly prohibited.
2. This facility does not tolerate employee harassment or abuse of any type from management, supervisors, co-workers, residents or non-employees. This includes harassment or abuse between employees that takes place outside of work hours.
3. This facility has additional policies governing non-discrimination and complaints relative to sexual harassment.
4. Employees who are victims of harassment or abuse must report incident(s) to the supervisor or to the administrator.
5. Perpetrators of harassment or abuse are subject to disciplinary action, including termination, and will be reported to law enforcement, as appropriate.

References	
Reference Numbers	§483.70 Administration; §483.70(a) Licensure.; §483.70(b) Compliance with Federal, State, and Local Laws and Professional Standards.; §483.70(c) Relationship to Other HHS Regulations.
Survey Tag Numbers	F835; F836
Other References	
Related Documents	Sexual Harassment
Version	1.3 (H5MAPL0061)
Revision Date	February 2024

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EXHIBIT 46

to

Section §999.5(d)(5)(E)

Employee Handbook

January **2025**

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Welcome

Congratulations and thank you for accepting Bethel Lutheran Home's offer of employment. One of the keys to our success is hiring good employees. We have hired you because we believe you have the skills and potential to help Bethel Lutheran Home succeed. We expect and depend upon you and each employee to perform the tasks assigned to you to the best of your abilities. We believe that hard work and commitment will not only help us succeed but will help give you a sense of pride and accomplishment.

We are glad to have you as a member of the Bethel Lutheran Home team. We hope that your employment proves mutually satisfying and that you will make an important contribution to our residents and to this organization. Every employee has an important role in our operations, and we value the abilities, experience and background that you bring with you to our organization. It is our employees who provide the services that our residents rely upon and enable us to grow and create new opportunities in the years to come.

Our management team intends to provide you with all the support and resources you will need to perform your job effectively. If, at any time, you need assistance or guidance, please do not hesitate to ask any of the members of our management team. They are here to help you perform to the best of your abilities. It is important to always display cooperation and respect as you work with our team of fellow employees.

Once again, welcome to Bethel Lutheran Home; we are glad to have you with us.

Bethel Lutheran Home Administration

History of Bethel Lutheran Home

Bethel Lutheran Home's history began in 1927 with the Pacific District Convention of the United Danish Evangelical Lutheran Church which met in Eugene, Oregon. Members of the body recognized a need to establish a ministry to the aging in the Fresno area. Through their encouragement, Bethel Old Peoples Home established a private, non-profit corporation whose first board met in June of 1928.

The M.J. Shults family of Pella Lutheran Church in Selma, California donated a small wood frame home to the district to be used as an old people's home. It became the first Bethel Lutheran Home. Located on Pine and Locust in Selma, the small house still stands today.

The home quickly filled, so the present property with a larger house was purchased in December of 1929. In May of 1930, twelve additional rooms were added and dedicated into service.

In February of 1932 work began on the addition of eight more rooms. Upon their completion in 1935, twenty-two residents occupied Bethel Lutheran Home. At this time the Shults property, which still housed residents, was sold and all residents were brought under one roof.

Bethel Lutheran Home's ministry to the aging continued over the next three decades. In 1935 the building which housed Bethel Lutheran Home was condemned and the board faced the decision of either discontinuing the ministry or building a new, modern facility. A building fund drive was approved in April of that year and through the assistance of the Division of Charities of the American Lutheran Church (ALC), FHA financing was obtained.

During that same time period the board of Bethel was reconstructed and a new corporation under the auspices of the ALC was formed. It consisted of nine churches of the Sacramento and San Joaquin conferences of the ALC.

Groundbreaking for the new facility occurred in October of 1964 with completion of two residential wings, a skilled nursing wing, and a dining area in July of 1964. The chapel was added to the facility in 1975 and areas in the skilled nursing wing and kitchen were remodeled in 1984. The Village, independent senior living, was opened in October of 2000.

Bethel Lutheran Home's Mission Statement

Bethel Lutheran Home is dedicated to serving the physical, emotional, and spiritual needs of each aging person regardless of race, color, sex, religion, age, national origin, or disability by striving to provide the highest quality facilities, personal care and programs out of obedience to the love of Christ in order to enhance the dignity, self-worth and purpose of life for each individual who enters the sphere of Bethel Lutheran Home's influence.

Introduction

This handbook replaces any previously distributed handbooks. With or without prior notice, the Bethel Lutheran Home reserves the right to revise, modify, delete or add to any and all policies, procedures, work rules or benefits stated in this handbook or in any other related document.

Any written changes to this handbook will be distributed to all employees so that they will be aware of the new policies or procedures. No oral statements or representations can in any way change or alter the provisions of this handbook.

This handbook sets forth the entire agreement between you and Bethel Lutheran Home as to the duration of employment and the circumstances under which employment may be terminated. Nothing in this handbook or in any other personnel document creates or is intended to create a promise or representation of continued employment for any employee.

General Policies & Procedures

Equal Employment Opportunity

Bethel Lutheran Home is an equal opportunity employer and makes decisions related to compensation and all terms, conditions, and privileges of employment based on merit.

Employment At-Will

All employees are "at-will" employees. This means that employment may be terminated with or without cause, and with or without notice, at any time by either an employee or Bethel Lutheran Home. No implied contract concerning any employment-based decision or terms and conditions of employment can be established by any other statement, conduct, policy, or practice.

Bethel Lutheran Home's Administrator/Executive Director has the exclusive authority to create an employment relationship other than on an "at-will" basis, and any such agreement must be in writing.

Anti-Harassment & Discrimination Policy

Bethel Lutheran Home is committed to providing a work environment free of unlawful discrimination, and harassment and prohibits any unlawful harassment and/or discrimination by anyone in its employ based on pregnancy, childbirth, or related medical conditions; sex, religious creed, race, natural hairstyle, color, national origin or ancestry, age, physical or mental disability, medical condition, genetic information, marital status, sexual orientation, gender identity and expression, military and veteran status, or any other consideration made unlawful by federal, state or local laws. Bethel Lutheran Home's Anti-Harassment Policy applies to all persons involved in the operation of Bethel Lutheran Home and prohibits unlawful discrimination and/or harassment by any employee of Bethel Lutheran Home, including supervisors and those in management, as well as persons and third-parties doing business with or for Bethel Lutheran Home.

Harassment includes but is not limited to:

- Verbal harassment such as abusive, derogatory comments or slurs that are gender based;
- Physical harassment, such as an assault, or interference with normal work or movement that is gender based;
- Visual forms of harassment such as derogatory posters, cartoons or drawings that are gender based;
- Unwanted or unwelcome sexual advances which condition an employment benefit upon an exchange of sexual favors.

Anti-Bullying Policy

Bethel Lutheran Home is committed to providing a safe and harassment-free workplace for all employees. As part of that commitment, Bethel Lutheran Home prohibits any form of intimidation, threats, or other types of abusive behavior ("bullying"). This workplace bullying policy is intended to supplement, not to supersede, other harassment or workplace violence policies already in place at Bethel Lutheran Home. Employees found in violation of this policy will be subject to discipline, up to and including termination.

Anti-Retaliation

It is illegal to retaliate against an employee because he or she complained about harassment, bullying or discrimination, even if no harassment, bullying or discrimination ever occurred. Bethel Lutheran Home's policy strictly prohibits any form of retaliation against an employee.

Bethel Lutheran Home's Reporting Procedure

Any employee who believes that the above policies have been violated should immediately report that belief to their supervisor or manager either in writing or personally. If your complaint involves your supervisor or manager, you can report the conduct to another supervisor or manager or the Administrator/Executive Director. If you feel that your complaint involves these individuals, then you may report your complaint to the California Department of Fair Employment and Housing. Bethel Lutheran Home will take immediate steps to stop the inappropriate behavior and to conduct a thorough, objective investigation and, if appropriate, take corrective action. Managers and supervisors are required to report any complaints to the Administrator/Executive Director.

Bethel Lutheran Home takes all complaints seriously. Policy also prohibits unlawful discrimination by any employee towards clients, vendors, or any third party associated with Bethel Lutheran Home. Bethel Lutheran Home will conduct a fair, timely, and thorough investigation. Bethel Lutheran Home will not retaliate against you for filing a complaint and will not willingly permit retaliation by management employees and/or your co-workers.

Lactation Policy & Accommodation

Bethel Lutheran Home will reasonably accommodate employees who want to express breast milk while at work. Bethel Lutheran Home will endeavor to provide a lactation room in close proximity to employees' work area, other than a restroom, to express their milk. The room will be shielded from view and free from intrusion while the employee is lactating. The lactation room provided by Bethel Lutheran Home will comply with the minimum requirements of law, including surface space to place personal items, a place to sit, and access to electricity, running water and a refrigerator suitable for storing milk.

Bethel Lutheran Home provides a reasonable amount of break time to allow employees to express breast milk. The break time shall, if possible, run concurrently with any break time already provided to the employee. If it is not possible to express breast milk during a rest period, an employee can arrange with the employee's supervisor to take additional time or express breast milk at a different time. If the employee needs a reasonable amount of additional time for expressing milk beyond the normal paid rest break, the time will be provided, but it will be unpaid.

Employees requiring a lactation accommodation in accordance with this policy may request such accommodation by contacting their direct supervisor or manager Bethel Lutheran Home is obligated to respond to an employee's request for a lactation accommodation. Any employee who believes Bethel Lutheran Home has not met its obligation to respond to a lactation accommodation or has violated any law has the right to file a complaint with the Labor Commissioner.

Workplace Safety

Injury Reporting Procedure

Whether working in the office or on-site, Bethel Lutheran Home wants to ensure that employees are provided with a safe working environment. Safety is a team effort. Employees should review Bethel Lutheran Home's Injury Illness Prevention Program (IIPP) and ask their supervisor or manager if there are questions or concerns. Failure to abide by the procedures outlined in the IIPP will lead to disciplinary action, up to and including termination.

Employees are required to *immediately* report any work-related injury or illness, no matter how small, to their supervisor. Bethel Lutheran Home will provide the employee with any required paperwork. The employee is expected to cooperate in the reporting process.

Operation of Vehicles

The use of Bethel Lutheran Home owned vehicles and/or renting vehicles for Bethel Lutheran Home business are limited to authorized employees. These vehicles must only be used in work-related activities and may not be used for personal business or activities without the express prior approval of the Administrator/Executive Director.

All employees required to drive for business must possess a current, valid driver's license and acceptable driving record. Such employees must report any change in license status or driving record to the Administrator/Executive Director immediately. From time-to-time the company or its insurance carrier will request reports from the Department of Motor Vehicles regarding the license status and driving record of employees whose job responsibilities require driving. In the event that the license status or driving record of any employee whose job responsibilities require driving becomes unacceptable, to management or the insurance carrier, that employee may be restricted from driving, reassigned, suspended, or terminated, at management's discretion to the fullest extent allowed by law.

It is the responsibility of every employee to drive safely and obey all traffic, vehicle safety, and parking laws, or regulations. Drivers should demonstrate safe driving habits and not drive too fast or recklessly. Certain employees may drive their own personal vehicles while conducting Bethel Lutheran Home business. Employees are prohibited from talking, composing text messages, and/or reading text messages on a cell phone while operating a personal or Bethel Lutheran Home vehicle for Bethel Lutheran Home business.

These employees must maintain adequate personal automobile liability insurance. Employees doing so should submit a notice to the Business Office of use of personal automobile, purpose and destination. The company will pay reimbursement for use of personal automobiles. Employees are expected to observe the above policies while on Bethel Lutheran Home business, even if driving their own personal vehicles.

Visitors

Visitors who come to see an employee during his or her work time should come to the reception desk in the Village and ask for that employee. The employee will be called or paged to come to the front office area to greet that visitor. Visitors should not be in an employee's work area and should not be in any resident's room.

When the Business Office is closed, the B-Wing Charge Nurse and/or the Nurses Station will be responsible for visitors.

Security

The security of Bethel Lutheran Home, as well as the welfare of our residents and staff is extremely important. Every employee should be continuously aware of potential security risks or damages to residents and staff.

You should always be alert and should report the presence of any suspicious persons. Be sure outside doors are locked according to facility routine. If you observe any persons acting in a suspicious manner or observe any unlawful acts in or around the buildings, follow these steps:

- If it is an urgent or threatening situation, report it immediately to a supervisor or management employee.
- Supervisors/Management or "In Charge" personnel should notify Selma Police Dept to respond to the facility immediately.
- If both the Administrator/Executive Director and Director of Nurses are not in the building, both should be notified immediately by In Charge personnel regarding the situation.
- Remain Calm. Do not be confrontational.
- If it is not an urgent/threatening situation, but suspicious and/or unusual, report it immediately to supervisory staff who in turn are required to notify the Administrator/Executive Director and possibly the Director of Nurses.

Supervisory staff must follow notification criteria to Administration.

If the urgent situation involves a fire or disaster circumstances, the facilities "Emergency Operations Plan" protocol is to be followed. Always be alert for any out of the ordinary situation. Respond accordingly and responsibly. You should always maintain your keys in your possession. Do not lend these items to anyone who is not authorized to possess them.

Expectations & Employee Conduct

Employee Appearance

Your appearance is a direct reflection on Bethel Lutheran Home. Our professional atmosphere is maintained, in part, by the image we present to our residents and their families. We expect all employees to present a neat, well-groomed appearance, and a courteous disposition. These qualities go farther than any other factors in making a favorable impression on the public and your coworkers. Employees should avoid extremes in attire. Flashy, provocative, skimpy, or revealing outfits and other non-business-like clothing are unacceptable. The employee should dress in a businesslike manner. Appropriate work attire must also take into consideration safety concerns. It is imperative that

employees wear clothing and shoes that provide adequate protection, commensurate with their job duties and responsibilities.

For office staff the following applies:

- Dresses are allowed, but no sundresses.
- Skirts, including blue Jean skirts, are permissible. However, extremely short skirts are not appropriate. All skirts should be 2 inches above the knee or longer.
- Pants and Capris in good condition are allowed.
- Shorts and yoga pants are not permitted.
- Sleeves on dresses, shirts, or blouses must be a minimum of 2" wide from the collar to the end of the sleeve. Sleeveless clothing that does not fit that requirement is only acceptable with appropriate covering.
- T shirts are allowed, but with no inappropriate slogans, writing or advertisements.
- Tank tops and sleeveless shirts, blouses, or dresses are not permitted.
- Undergarments should not be visible outside or through clothing.
- No jogging suits, sweats, or track suits.
- Tights, leggings or other types of hosiery must be accompanied by a skirt or a long top.
- Inappropriate tattoos should be covered.
- Flip flops, Crocs and Uggs are not allowed.

Due to the demands of resident care:

- Hair should be kept clean and groomed.
- Jewelry should be conservative. Makeup should be appropriate for the professional environment.
- Cologne or perfume should be worn lightly or not at all.
- Nails should be kept trimmed and manicured.
- Good personal hygiene and a clean appearance are required at all times, and particularly when you are in contact with the patient.

All employees should report to work in attire that is clean and in good condition. Employees who report to work inappropriately dressed and/or groomed will be sent home without pay to correct their appearance.

Punctuality & Attendance

Employees are expected to report to work as scheduled, on time and prepared to start work. Employees must report to work as scheduled and remain at work for their entire work schedule, except for meal periods or when required to leave on authorized business. Late arrival, early departure or other unapproved absences from scheduled work hours are disruptive and must be avoided.

Excessive unexcused tardiness (more than 3 times in a 30-day period) or unexcused absenteeism (two absences in a 90-day period) will result in discipline. A new hire will be considered to have excessive tardiness or absences if they have any occurrences in the first 90 days and may result in discipline.

- **Excused Absence:** An absence will be excused only in the following situations: (1) when the employee receives prior approval to take time off, (2) the employee is ill and the employee has available unused paid sick leave, or (3) the employee is ill and provides a

valid doctor's note after three consecutive days of absence, (4) the absence is covered under state or federal law (i.e. FMLA/CFRA, workers' compensation, jury duty, etc.).

- **Unexcused Absence:** An absence not defined as excused (see above).
- **Tardy:** Occurs when an employee does not begin work within 5 minutes after the start of the scheduled shift and is not covered as excused (see above).

If you are unable to report to work at your scheduled time, you must notify your supervisor as soon as possible, but no later than 4 hours prior to the start of your shift. In all cases of absence or tardiness, employees must provide an honest reason or explanation. Failure to notify Bethel Lutheran Home as described above will be considered a no-call, no-show by Bethel Lutheran Home. An employee who fails to notify Bethel Lutheran Home of an absence in accordance with this policy for three consecutive workdays will be considered to have voluntarily resigned employment from Bethel Lutheran Home, absent a reasonable explanation.

Excessive absenteeism may be grounds for discipline up to and including termination of employment. Each situation of excessive absenteeism or tardiness shall be evaluated on a case-by-case basis.

In the case of short-term illness and for the purpose of controlling the spread of communicable illness;

- Any employee who has signs or symptoms of a communicable illness or infected lesion should not report for work or if at work should not stay. A doctor's visit with an appropriate release to return to work is required.
- All employees will be provided with the flu vaccine annually and are required to get the vaccination, or masks will be required to be worn during flu season.
- TB screening for employees is provided annually.

Attendance Policy and Procedure for Bethel Lutheran Home Employees

Policy Statement: Bethel Lutheran Home recognizes the importance of regular attendance for staff to maintain a high standard of patient care and ensure the smooth operation of our healthcare facility. This policy outlines expectations, reporting procedures for absences, and consequences for non-compliance.

1. Attendance Expectations:

a. Employees are expected to arrive on time for scheduled shifts and complete their assigned work hours.
b. Regular attendance is critical for maintaining a consistent level of patient care and team collaboration.

2. Reporting Absences:

a. Employees are required to first call to notify Bethel Lutheran Home and inform their direct Supervisor in case of absence. Then notify supervisor via text.
b. Absence notifications should be made at least four (4) hours before the scheduled shift, unless there is a genuine emergency.

3. Reporting Procedure:

a. To report an absence, employees must contact their immediate supervisor by text.

b. Employees should provide the reason for the absence and an estimated date of return, if applicable.

4. Medical Documentation:

a. If the absence is due to illness, employees may be required to provide a medical certificate upon returning to work if absence is three (3) consecutive days.
b. Failure to provide necessary documentation may result in consequences outlined in Section 5.

5. Consequences for Non-Compliance:

a. Employees who fail to adhere to the attendance policy may face disciplinary action, including verbal or written warnings, suspension, or termination.
b. Disciplinary actions will be determined based on the frequency and nature of the absences. **See attendance point system provided below.**

6. Exceptions:

a. Bethel Lutheran Home recognizes that unforeseen circumstances may arise. In such cases, employees are encouraged to communicate with their supervisor to discuss potential alternatives or accommodations.

7. Policy Review:

a. This policy will be reviewed periodically and updated as needed. Any changes will be communicated to employees in a timely manner.

By adhering to this attendance policy and procedure, Bethel Lutheran Home aims to maintain a supportive and reliable healthcare team focused on delivering exceptional patient care.

Attendance Point Values:

- Tardiness: 1 point per incident.
- Absenteeism: 2 points per day.
- Early Departure: 1 point per incident.

Accumulation Thresholds:

- 5 points: Verbal warning and counseling.
- 10 points: Written warning and development plan.
- 12 points: Final warning and mandatory training.
- 15 points: Disciplinary action, up to and including termination.

By implementing this Work Attendance Violations Point System, the organization aims to create a culture of accountability, foster consistent attendance, and provide a structured approach to addressing attendance-related issues.

Cell Phone Policy

While working, employees should be completely focused on their job duties. Employees are expected to use their personal cell phones during designated meal and rest periods. If an employee's use of their cell phone interrupts, delays or interferes with Bethel Lutheran Home's business, the employee may be disciplined.

Performance Evaluations

Each employee may receive periodic performance evaluations conducted by his or her supervisor. Performance evaluations may be conducted from time to time to provide both you and your supervisor with the opportunity to discuss your job tasks, identify and correct weaknesses, encourage and recognize strengths, and discuss methods of improving your performance. The frequency of the performance evaluations may vary depending upon the length of service, job position, past performance, changes in job duties, and recurring performance problems. Bethel Lutheran Home will strive to provide a performance evaluation after 90 days and annually thereafter.

Please be advised that a positive performance evaluation does not guarantee an increase in salary, a promotion or even continued employment. Compensation increases and terms and conditions of employment, including job assignment transfers, promotions, or demotions are solely within the discretion of Bethel Lutheran Home and depend upon many factors in addition to performance.

In addition to these more formal performance evaluations, Bethel Lutheran Home encourages you and your supervisor to discuss your job performance on an ongoing basis.

Certified Nursing Assistant (CNA) Performance Point System

Objective: The purpose of this Penalty Point System is to establish a structured approach to address and discourage inadequate charting by Certified Nursing Assistants (CNAs) at Bethel Lutheran Home. Accurate and timely documentation is crucial for ensuring the delivery of high-quality resident/patient care and maintaining compliance with healthcare regulations.

I. Violations and Point Assignment:

1. **Late Charting:**
   - 1st Offense: 1 point
   - 2nd Offense: 2 points
   - 3rd Offense: 3 points
2. **Incomplete Charting:**
   - 1st Offense: 2 points
   - 2nd Offense: 4 points
   - 3rd Offense: 6 points
3. **Failure to Document Critical Information:**
   - 1st Offense: 3 points
   - 2nd Offense: 6 points
   - 3rd Offense: 9 points
4. **Falsification of Records:**
   - Immediate termination and reporting to relevant regulatory bodies.

II. Disciplinary Actions:

1. **Accumulation of 5 Points:**
   - Written Warning and mandatory retraining
2. **Accumulation of 10 Points:**
   - Suspension for a specified period (e.g., 3 days) and mandatory retraining
3. **Accumulation of 15 Points:**
   - Termination of employment

IV. Reporting and Documentation:
All instances of inadequate charting and the assigned penalty points will be documented in the CNA's personnel file. This information will be considered in annual performance evaluations and may impact promotions and salary adjustments.

V. Appeals Process:
CNAs have the right to appeal penalty point decisions. Appeals should be submitted in writing to the appropriate supervisor within ten (10) business days of receiving the penalty. The appeal will be reviewed by case and a final decision made.

VI. Periodic Review:
The Penalty Point System will be subject to periodic review to ensure its effectiveness and relevance. Amendments may be made as necessary to address emerging issues or improve the system's overall functionality.

Quality Assurance and Performance Improvement Plan (QAPI)

The purpose of the QAPI within our organization is to use a proactive approach to evaluate and improve our resident care services and environment so that we may continue to strive to provide the highest quality healthcare services in a safe, loving, home-like setting.

To do this, all employees will be encouraged to participate in ongoing QAPI efforts which will support our mission by striving to provide the highest quality facilities, personal care and programs in order to meet the physical, emotional, and spiritual needs of each of our residents.

Scope: QAPI Program

The scope of the QAPI program encompasses all care service areas of Bethel Lutheran Home. This includes skilled nursing services, food and nutrition services, activities and social services, housekeeping and laundry services, grounds and maintenance, administrative services, consumer satisfaction and provider relations.

The population affected include all residents, families, and staff. QAPI will aim for safety and high-quality services while stressing resident individuality, independence and choice.

Aspects of services and care are assessed and measured against established expectations and performance goals. Key monitors are evaluated and trended on a quarterly and/or annual basis.

In-Service Training

An employee in-service training program is provided to develop and improve knowledge and service skills of all employees and meet licensing requirements and regulations.

All employees are required to attend all-staff in-services that are held at various times during regularly scheduled shifts. Non-exempt employees must be on the clock while attending required in-service training.

Within the Nursing Department, Licensed Nurses and Certified Nurse Assistants have an extensive in-service program mandated by regulation. Compliance is required. In-service classes are held at

convenient times to allow attendance at work. The requirements of CNA Certification are an individual CNA's responsibility. Make up opportunities are provided when applicable.

Employees may make up missed in-services by arranging with the Director of Staff Education to do so. Non-exempt employees must be on-the-clock when attending make up in-services. Employees who fail to make-up missed in-services timely, may be subject to disciplinary action up to including termination of employment.

Resident/Visitor Relations

Bethel Lutheran Home is a senior care facility. We are a service business. Remember that the residents always come first. Residents, family and visitors are to be treated courteously and given the proper attention at all times.

Do not regard a resident's questions, concerns or requests for help as an interruption or an annoyance to you. You are here to serve. You must respond to all inquiries from residents and visitors promptly and professionally.

If you do not feel capable of handling a resident or visitor concern, or if it is not within your scope of duty, refer them immediately to your supervisor or administrator.

Through your conduct and respect, you can show your desire to assist the resident or visitor with the help he or she needs.

Standards of Conduct, Care and Services

These standards are given to provide all employees with specific guidelines for expected work performance in keeping with the philosophy and tradition of Bethel Lutheran Home. It is Bethel's desire to strive to achieve the highest quality of care for our residents in the services provided to them. It is our goal to maintain Bethel Lutheran Home's history of a loving Christian environment.

Standards of Conduct

All employees are expected to perform their duties with appropriate skill, expertise and professionalism. Services should be given with kindness, using gentle hands. Patience, understanding and courtesy are to be demonstrated toward those we serve and those we work with. There is to be a spirit of sincere caring. Employees are to be polite, kind, respectful, and promote a positive attitude among co-workers and residents.

Additional conduct that is expected to prevail throughout Bethel Lutheran home includes dependability, trustworthiness, reliability and punctuality. Personal appearance should be appropriate and professional. All employees are expected to work together to promote and maintain a calm, caring, safe and appropriate environment for residents, staff, families, and visitors.

Each employee will have the unique opportunity to use his or her own special abilities and contribute to the atmosphere present at Bethel Lutheran Home. Each employee is an important person in the daily life of Bethel Lutheran Home. We invite you to:

"Come, grow with us and join the adventure of caring hands!"

Standards of Care

Residents are offered care on three separate levels:

- Independent Living: senior retirement living in a non-medical setting.
- Residential Care: for those residents who need non-medical supervision (Assisted Living)
- Skilled Nursing: for residents who are dependent for care.

The basic standards of care relate to all levels.

All residents are encouraged to achieve their highest potential of independence. Their individuality and privacy are to be respected. In Skilled Nursing and Assisted Living, resident appearance should be neat and clean. They should be dressed and groomed appropriately. Incontinent residents should be kept clean and dry. There should be careful maintenance to promote healthy skin. Bethel Lutheran Home is to be free from lingering odor.

The Village is senior independent living providing excellence in housing and services.

It is Bethel Lutheran Home's intent to nurture its residents in a family-like atmosphere that will provide them with opportunities for productive, dignified living at any level of care and/or service.

Standards of Service

"Serving with pride those who need us"

Bethel Lutheran Home's standards of service should include:

- An environment that is safe, clean and odor free.
- A comfortable and home-like atmosphere.
- Resident's rooms that are tidy and clean.
- Bed linens that are fresh and sufficient.
- Personal laundry that has special care and attention.
- Grounds and buildings that are attractive, well-maintained and hazard free.
- Facility in good operating order.
- Food prepared in a sanitary environment. Special dietary needs will be met.
- Meals served that are flavorful and appealingly presented.
- A diverse offering of social activities, programs and outings.

Employees of Bethel Lutheran Home are asked to make a commitment to contribute to these standards to enhance the dignity, self-worth and purpose of life for all individuals whose lives are touched by the influence of Bethel Lutheran Home. Remember it is in your hands! Look at your hands each day. Determine how you will use them. Will it be with kindness and gentleness? Will it be with quality and skill? You can choose!!

Business Conduct and Ethics

Employees must decline or return any gift, or gratuity from any resident, vendor, supplier, or other person doing business with Bethel. In doing so, please explain that Bethel Lutheran Home prohibits employees from accepting gifts or gratuities to ensure that business decisions, transactions, and services are provided on an objective professional basis.

Proprietary and Confidential Information

Some information about Bethel Lutheran Home, its residents, suppliers, vendors, and staff may be kept confidential by Bethel Lutheran Home as a matter of law. Trade secrets, driver's license information, and confidential medical information of employees fall into this category. Information of this nature is to be kept confidential and divulged only to individuals within Bethel Lutheran Home with both a need to receive and authorization to receive the information. Trade secrets may include that which has been kept confidential from Bethel Lutheran Home's competitors, such as strategic plans, pricing, customer lists, contractual terms with vendors or customers and certain financial records.

Employees who improperly use or disclose trade secrets or other information Bethel Lutheran Home may, or is required to, keep confidential as a matter of a law will be subject to disciplinary action, up to and including termination of employment, even if they do not actually benefit from the disclosed information. Bethel Lutheran Home reserves the right to avail itself of all legal or equitable remedies to prevent impermissible use of such information or to recover damages incurred as a result of the impermissible use of such information.

Confidentiality and Security of Protected Health Information

Bethel Lutheran Home is required to comply with the Health Insurance Portability and Accountability Act of 1996 and any and all regulations promulgated pursuant thereto, as such, regulations may be amended from time to time (collectively HIPPA), and any and all other federal, state and local laws, rules and regulations (collectively "Other Applicable Law") concerning the privacy, confidentiality and security of individually identifiable health information (hereinafter "Protected Health Information" or "PHI"). The application of these laws extends to all employees of Bethel Lutheran Home who may acquire Protected Health Information during the course of their employment with Bethel Lutheran Home, whether in oral, written or electronic form and regardless of the manner in which access was obtained. Accordingly, Bethel Lutheran Home requires that each employee strictly adhere to the requirements of HIPPA, and other applicable laws, and not use, access or disclose the PHI to any person or entity, internally or externally, except as required and permitted in the course of his or her duties and responsibilities as an employee of Bethel Lutheran Home and as required or permitted under HIPPA or any other applicable law.

If you have any questions regarding your obligation with respect to Protected Health Information please contact the Administrator/Executive Director, the Director of Nursing or the D.S.D.

Social Media

Employees are expected to be focused on their job duties while at work. Except during break and meal periods, employees are prohibited from browsing, opening, posting, accessing or using social media during working hours.

While each person is solely responsible for what they post online, before creating online content, each employee should consider some of the risks and rewards that are involved. Before posting anything on your personal social media account with the "Bethel Lutheran Home" name, remember that it must be appropriate and business-related. For example, posting/tagging with "Bethel Lutheran Home" a comment or picture involving a resident or other inappropriate image would not be appropriate. When in doubt, please check with your supervisor before posting using "Bethel Lutheran Home". Keep in mind that any of your conduct that adversely affects your job performance, the performance of fellow

employees or otherwise adversely affects people who work for or are residents of Bethel Lutheran Home may result in disciplinary action up to and including termination. Employees are prohibited from publishing, posting or releasing any Bethel Lutheran Home information that is considered confidential.

Bethel Lutheran Home Computers & Electronic Equipment

Employees may have access to Bethel Lutheran Home's computers, laptops, tablets, network, and other electronic equipment (collectively, "electronic equipment"). Electronic equipment is to be used for Bethel Lutheran Home's business only. Electronic equipment belongs exclusively to Bethel Lutheran Home and must be maintained according to Bethel Lutheran Home's rules and regulations. Bethel Lutheran Home reserves the right to inspect all electronic equipment to ensure compliance with its rules and regulations, with or without notice and not necessarily in the employee's presence.

Voicemail and email are to be used for business purposes only. Bethel Lutheran Home reserves the right to monitor voicemail messages and e-mail messages to ensure compliance with this rule, with or without notice to the employee and not necessarily in the employee's presence.

Bethel Lutheran Home may periodically need to assign and/or change "passwords" and employee codes used by the employee on equipment and/or electronic devices provided by Bethel Lutheran Home.

Employees do not have any expectation of privacy in the codes and/or passwords used to access Bethel Lutheran Home owned electronic equipment, applications, or software.

Job Duties

As part of your orientation, you will learn the various duties and responsibilities of your job. You may be provided with a copy of the written job description for your individual position. Bethel Lutheran Home maintains certain expectations, and standards of conduct throughout the organization.

These standards are given to provide all employees with specific guidelines for expected work performance and attitude in keeping with the philosophy and traditions of Bethel Lutheran Home.

It is our desire to strive to achieve the highest quality of care for our residents and the service provided to them and in our attitude toward all who come here. It is our goal to maintain Bethel's history of a loving Christian environment.

Board of Directors

The governing body of Bethel Lutheran Home consists of a 7-11 person Board of Directors who serve as Volunteers in this extremely important role. Their major responsibilities are to establish the mission, perform, conduct and manage activities and business that are consistent with the purpose and beneficial to the interest of the corporation, do strategic planning, and ensure long term financial stability. The full board meets once a month.

Employment of Relatives

Bethel Lutheran Home does not maintain a strict policy that prohibits the employment of relatives in all circumstances. However, there are significant restrictions on the employment of relatives under some circumstances. For example, Bethel may refuse to place one relative under the direct supervision of another relative for business reasons of supervision, safety, security or morale. For the same reason, Bethel may refuse to place both relatives in the same functional area of Bethel Lutheran Home if the work involves conflicts of interest that are greater of relatives than for other individuals.

Licensing

Bethel Lutheran Home currently provides two different levels of licensed senior care:

Skilled Nursing Care: Provides long term care up to 59 residents who are in need of total nursing care. Licensed nurses and other trained personnel are on duty 24-hours daily to provide individualized care and follow physician's orders.

Residential Care for the Elderly (R.C.F.E.): Provides non-medical monitoring and supervision for individuals who, while maintaining their own independence and dignity, require limited assistance in their daily needs.

Bethel Lutheran Home Assisted Living Unit is licensed by the Department of Social Services of the State of California. The Skilled Nursing Unit is licensed by the Department of Public Health of the State of California. Both licensing agencies require compliance with extensive regulations in order to maintain our licenses. Both do annual surveys to determine our levels of compliance. Guided by these regulations Bethel Lutheran Home not only meets but surpasses regulations by being committed to excellence and quality in providing a high standard for care and services. We expect that all staff will understand regulations as they pertain to their jobs, promote compliance at all times, and function out of a real concern for each resident.

Bulletin Board

Bulletin boards, except those specifically designated for employee use, are not to be tampered with in any way.

Prohibited Conduct

Illegal Drugs, Controlled Substances, Alcohol & Marijuana

Any employee who violates this policy is subject to discipline, including termination. All employees are prohibited from doing any of the activities listed below, at any time during working hours (including meal and break periods), while on the Bethel Lutheran Home's property (leased or owned), while representing Bethel Lutheran Home at an outside event on or off the Bethel Lutheran Home's property, or while performing work related duties (whether on or off the Bethel Lutheran Home's property):

1. Possessing or using alcohol or marijuana
2. Possessing or using illegal drugs
3. Being under the influence of alcohol, marijuana, a controlled substance, or an illegal drug
4. Driving the Bethel Lutheran Home's vehicles or driving a personal vehicle for work while under the influence of alcohol, marijuana, an illegal drug, or controlled substance
5. Distribution, sale or purchase of marijuana or an illegal drug or controlled substance

The above prohibitions do not include the proper use of prescribed medications, provided that the employee complies with their physician's orders and the employee's use of the prescription medication does not create a safety hazard for the employee or other employees.

Bethel Lutheran Home reserves the right and hereby notifies all employees that upon reasonable suspicion that an employee has violated this policy, Bethel Lutheran Home may conduct drug testing at any time in accordance with both federal and state laws. Bethel Lutheran Home will keep the results of any required drug testing confidential.

Smoking, Vaping & Use of Tobacco Related Products

Bethel Lutheran Home is committed to a philosophy of good health and a safe workplace. It is important that the work environment reflect Bethel Lutheran Home's concern for good health. With this in mind, employees may only use tobacco products, which include any electronic device that delivers nicotine or other vaporized liquids to the person inhaling from the device, including but not limited to an electronic cigarette, cigar, pipe or hookah, in outside designated areas.

Prohibited Conduct & Behavior

The conduct described below is not an exhaustive list of all prohibited conduct and/or behavior. Employees must also consider other applicable federal, state, and local laws. This statement of prohibited conduct does not alter Bethel Lutheran Home's policy of at-will employment.

Examples of prohibited conduct and behavior include:

1. Making false statements or omitting pertinent information on employment applications, records of employment, forms, or during participation in investigations or in responding to management inquiries.
2. Committing any act of violence or intimidation or making threats of violence, fighting, or using abusive or profane language at the workplace, including in resident rooms.
3. Theft, unauthorized removal, or willful damage of property or assets belonging to Bethel Lutheran Home, other employees, or residents.
4. Disregard of safety rules, safety procedures or workplace security rules.
5. Substandard or unsatisfactory work performance.
6. Any other conduct that is prohibited by law.
7. Unprofessional, rude, disrespectful, or discourteous treatment of non-managerial staff, residents, vendors, and sub-contractors.

There is no substitute for good judgment and common sense. Employees who engage in conduct prohibited by Bethel Lutheran Home will be subject to discipline, up to and including termination.

Conflict of Interest

Situations may arise that create a conflict of interest or the appearance of a conflict of interest between the employee and Bethel Lutheran Home. Employees are expected to notify Bethel Lutheran Home if any of the following has, or does, occur during the employee's employment with Bethel Lutheran Home.

1. The employee has a financial interest, outside of the employee's wages, in any business transaction with Bethel Lutheran Home
2. The employee accepts a gift, entertainment, or other type of financial benefit from one of Bethel Lutheran Home's residents (including resident's family), vendors, or direct competitors
3. A personal relationship with a resident, the resident's family or representative, independent contractor or vendor of Bethel Lutheran Home

4. Employees may not perform work for direct competitors or for Bethel Lutheran Home residents. Employment of this nature creates an actual conflict of interest with Bethel Lutheran Home and failure to follow this policy will lead to discipline, up to and including termination.
5. Prior to obtaining a second job of any type, the employee must notify Bethel Lutheran Home. Bethel Lutheran Home will determine if the employee's additional job will interfere with the employee's ability to do their job for Bethel Lutheran Home or if confidential or proprietary information of Bethel Lutheran Home is at risk of disclosure. If there is a conflict, the employee will have to decide whether to continue employment with Bethel Lutheran Home.
6. Managers and supervisors are forbidden to date, or pursue romantic or sexual relationships with employees whom they supervise, directly or indirectly
7. Any other situation that may create an actual or apparent conflict of interest

Theft and Loss

Bethel Lutheran Home does not tolerate theft or stealing from residents, co-workers, or Bethel Lutheran Home. Law enforcement officers may be called to investigate any alleged theft. Employees are expected not to protect another employee who is stealing, not to borrow or use any items belonging to residents, not to accept gifts from residents without management's knowledge. Employees are expected to understand the Theft and Loss Program and to report any loss or theft of property to the Department Head immediately. Theft and/or failure to report it may result in disciplinary action up to and including termination of employment.

In addition, there may be an occasion where management may need to conduct an internal investigation as a result of an employee's performance or behavior issue. The purpose of an investigation is to determine the facts prior to management taking a course of action. Whether you may be the subject of the investigation, the complaining employee, a witness or an employee who may be questioned, you will be expected to cooperate in all phases of this investigation or be subject to disciplinary action up to and including termination of employment.

Time Keeping & Pay

Workweek & Workday

The regular workweek for pay and day of rest purposes is seven (7) consecutive days beginning Sunday at 12:00 a.m. and ending at 11:59 p.m. on Saturday. The workday is a 24-hour period beginning at 12:00 a.m. and ending at 11:59 p.m.

Time Keeping

All non-exempt employees are required to record work time using Bethel Lutheran Home's time keeping system. Employees shall record the time at the beginning and at the end of each workday and the beginning and end of meal periods. Any failure to record time accurately must be brought to the immediate attention of your supervisor or manager.

Meal & Rest Periods

The Bethel Lutheran Home will designate your normal work hours and may schedule your meal periods. All non-exempt employees must begin their meal periods no later than the end of the fifth hour of work.

Non-exempt employees are required to take scheduled meal periods and cannot perform any work during the meal period. Meal periods are unpaid. Employees are required to use the Bethel Lutheran Home's time keeping system to clock-out and clock-in for their meal periods.

If an employee is unable to take their meal period at the time designated by Bethel Lutheran Home, the employee should immediately notify their supervisor or manager.

All employees are allowed 10 minutes of rest period for every four hours of work or major portion thereof. This time may NOT be combined with the meal period to extend that time. If an employee is unable to take their rest period, the employee should immediately notify their supervisor or manager.

Overtime

Overtime applies to any hours worked over 8-hours per workday or 40 hours per workweek. Bethel Lutheran Home will pay overtime rates according to federal and state laws.

An employee needing to work overtime must obtain prior approval from their supervisor or manager. Failure to obtain prior approval for overtime will result in disciplinary action.

Bethel Lutheran Home does not permit off-the-clock work.

Day of Rest

Employees are entitled to one day of rest during each workweek. Employees wishing to voluntarily forgo this required day of rest may complete a waiver with the Administrator. The waiver may be revoked at any time.

Bethel Lutheran Home does not encourage nor require employees to waive their day of rest.

Paydays

Employees are paid semi-monthly on the 7th and 22nd of each month. Pay periods will run 1-15, and 16 through the end of the month. If there is an error on your paycheck, please immediately report it to your supervisor or manager. Direct deposit is available upon request. If a pay day falls on a Saturday, every effort will be made to pay employees on the preceding Friday. If a pay day falls on a Sunday, employees will be paid the next business day.

Business Expense Reimbursement

Employees may be reimbursed for reasonable expenses incurred in the course of business with prior approval of the Administrative/Executive Director. These expenses may include air travel, hotels, motels, meals, cab fare, rental vehicles, or gas and mileage for personal vehicles. All expenses incurred should be submitted to Bethel Lutheran Home along with the receipts within 30 days of the date of the expenditure. If personal vehicles are used, employees will be reimbursed for miles traveled at the current IRS mileage reimbursement rate.

Employees are expected to exercise restraint and good judgement when incurring expenses. Employees should contact the Administrator/Executive Director in advance if they have any questions about whether an expense will be reimbursed. Violations of abuse of the travel and reimbursement policies will be subject to disciplinary action up to and including termination of employment.

Benefits

Employee Classifications

Employees at Bethel Lutheran Home are classified as full-time nonexempt, part-time nonexempt, temporary, relief or exempt.

Full-Time Nonexempt Employees

Full-time nonexempt employees are those employees who are normally scheduled to work and who do work a work schedule of 30 or more hours per week. Full-time nonexempt employees are eligible for the employee benefits described in this Handbook.

Part-Time Nonexempt Employees

Part-time nonexempt employees are those employees who are scheduled to work and who do work less than 30 hours per week. If you are a part-time employee, you will enjoy those benefits specifically required by law, provided that you meet the minimum requirements set forth by law and in the benefit plans. Part-time nonexempt employees may be assigned a work schedule in advance or may work on an as-needed basis.

Temporary Employees

Temporary employees are those who are employed for temporary assignments. Temporary assignments generally are periods of three months or fewer, however, such assignments may be extended. Temporary employees are not eligible for employee benefits, except as required by applicable law, and may be classified as exempt or non-exempt on a basis of job duties and compensation.

Relief Employees

Relief status is granted to employees in special circumstances when it appears beneficial for both the employee and Bethel Lutheran Home. Relief status assumes that the employee will be available to work occasionally as arranged by the Department Head of designee. Relief employees are not eligible for employee benefits, except as required by applicable law, and may be classified as exempt or non-exempt on the basis of job duties and compensation. Relief status is reviewed every six months. If the employee has not worked during that period, the employee's voluntary termination will be processed.

Exempt Employee

Exempt employees are those whose job assignments meet the federal and state requirements for overtime exemption. Exempt employees are compensated on a salary basis and not eligible for overtime pay. Generally, executive, administrative, professional and certain outside sales employees are overtime exempt. Exempt employees are eligible for the employee benefits described in this handbook.

Medical, Dental & Vision Insurance

Full-time employees are eligible for medical insurance after a 60-day waiting period. Additional information regarding this plan can be found in the Summary Plan Description. The employee will be required to pay a portion of the monthly premium.
Part-time employees may be eligible to participate only in the Dental Insurance Plan.

Vacation

Full-time employees are eligible to receive paid vacation. Vacation benefits do not accrue during the first three months of employment. Vacation accrues on regular hours of work (not including overtime).

Length of Service As Full Time Employee	**Yearly Equivalent**
1 – 2 Years	40 hours (1 week)
3 – 5 Years	80 hours (2 weeks)
5 -10 Years	120 hours (3 weeks)
10+	160 hours (4 weeks)

A maximum of 40 hours of unused vacation will be rolled over to the employee's next anniversary year and the balance of unused vacation will be paid out in full on their anniversary date. In extenuating circumstances employee may select to have entire balance paid out with approval from the Administrator/Executive Director.

Submit vacation requests in writing as soon as possible. When possible, vacation requests are granted, considering business and staffing requirements. Length of employment and time of year may determine priority in scheduling vacation times. Bethel Lutheran Home does reserve the right to deny vacation requests based on staffing and organizational needs.

Upon termination, eligible employees will be paid for accrued but unused vacation.

Holidays

Bethel Lutheran Home observes the following holidays:

(1) New Year's Day
(2) Memorial Day
(3) Independence Day
(4) Labor Day
(5) Thanksgiving Day
(6) Christmas Day

To be eligible for holiday pay, an employee must have worked or have been available for work, for the scheduled work day preceding and immediately following the holiday, unless an absence on either day is approved in advance by a supervisor or manager, or in cases of illness or accident, or for other reasons beyond the control of the employee.

If a non-exempt employee is required to work on a designated holiday, the employee will receive holiday pay not to exceed one and one-half times the employee's hourly rate of pay. Non-exempt employees must work on the observed holiday to receive holiday pay. For night shift employees who work on an observed holiday, holiday pay will apply to the shift beginning the day of the holiday. For example, on Christmas, night shift employees who clock in on December 25th will receive holiday pay.

Bethel Lutheran Home reserves the right to modify the holiday schedule at any time, with or without notice.

Leaves of Absence

Communicating During Leaves

Bethel Lutheran Home will make every effort to communicate with employees during any leave of absence. The employee will also be required to maintain communication and update Bethel Lutheran Home on any change in status and the estimated date of return.

Unpaid Leaves & Use of Accrued Vacation

Leaves of absences provided by Bethel Lutheran Home are unpaid unless otherwise noted. **Employees are no longer required to use any accrued, unused vacation before taking any unpaid leave.**

Paid Sick Leave

Bethel Lutheran Home provides paid sick leave to all qualified employees in accordance with state law. **Full-time** employees will immediately, upon hire and every anniversary year thereafter, receive 48 hours of sick leave. **Part-time** employees will immediately, upon hire and every anniversary year thereafter, receive 40 hours of sick leave. No sick leave time may be used until all new employees have met a 90-day waiting period. Paid sick leave does not carry over from year to year for part-time employees. Paid sick leave does carry over from year to year for full-time employees.

Part-time employees can use no more than their annual allotment of paid sick leave in a year. Bethel Lutheran Home defines the "year" for paid sick leave purposes as the employee's anniversary year.

Sick leave may be used to care for yourself or a family member for the diagnosis, care or treatment of an existing health condition or preventive care, or specified purposes for an employee who is a victim of domestic violence, sexual assault or stalking.

Employees must use accrued sick leave or accrued vacation leave before being permitted to us **unpaid time off** for absences, unless approved arrangements have been agreed upon by administration. During 90-day probationary period, employee may used **unpaid time off** in place of sick time if approved.

Sick leave must be used in increments of no less than 2 hours.

Payment for unused sick leave is not provided under any circumstance, including at termination.

A release from a physician confirming that an employee is able to return to work is required for absences longer than 3 days.

If an employee becomes sick during their shift, the employee must notify their supervisor before leaving work. Failure to provide notification may result in discipline, up to and including termination.

An employee who does not call or report to work for three consecutive workdays will be considered to have voluntarily resigned employment with the Bethel Lutheran Home, unless there are extenuating circumstances.

Bereavement Leave

Bethel Lutheran Home recognizes the importance of providing support and understanding to employees during times of bereavement. This Bereavement Leave Policy is established to assist employees in dealing with the emotional stress and practical arrangements that may arise following the death of a close family member.

All regular full-time and part-time employees are eligible for bereavement leave. Temporary and seasonal employees are not eligible for this benefit.

For the purpose of this policy, a close family member is defined as a spouse, domestic partner, child, stepchild, grandchild, parent, stepparent, grandparent, sibling, or a person for whom the employee is the primary caregiver.

Employees are eligible for up to three (3) consecutive days of paid bereavement leave per occurrence to attend the funeral or memorial service and to handle related matters. Employees are eligible to take an additional two (2) days of unpaid leave, allowing for a total of five (5) days of bereavement leave.

Employees must notify their immediate supervisor or the designated contact person as soon as possible in advance or, if not possible, as soon as practicable following the death. The notification should include the expected duration of the absence and any other relevant information.

Employees may be required to provide verification of the death, such as a death certificate or obituary notice, upon request.

Employees may choose to use accrued vacation or personal leave for additional time off beyond the three (3) days of paid bereavement leave.

Bereavement leave does not affect an employee's eligibility for other benefits during the approved period of absence.

Employees may request a flexible work schedule upon returning from bereavement leave to help ease the transition back to work. Such requests will be considered based on operational needs.

Military Leave

Bethel Lutheran Home will follow any and all applicable federal and state laws concerning military leave. Generally, an employee returning from military leave is guaranteed reemployment and other rights as long as he or she complies with certain notification requirements, as required by federal or state law.

When an employee must return to work after the completion of service depends on the duration of the military service.

Service members and their families will receive health benefits in accordance with federal and state law. Health care coverage may be available under USERRA or COBRA.

Military Spouse Leave

Employees who work an average of 20 or more hours per week and are married to a member of the Armed Forces, National Guard or Reserves deployed during a period of military conflict in an area designated as a combat theater or zone, may take up to 10 unpaid days off as a "qualified leave period." You must submit written documentation certifying the leave from deployment, within 2 business days of receiving official notice that the qualified member will be on leave. Qualified leave periods are defined as periods during which the soldier-spouses are on leave from deployment. You may elect to use any accrued unused vacation.

Family Medical Leave

Eligible employees will be provided with family and medical leave in accordance with the requirements of applicable state and federal law. An "eligible employee" is an employee that (1) has worked for the Bethel Lutheran Home for a total of at least 12 months, (2) has worked at least 1,250 hours during the

12 months prior to the requested leave, and (3) works at a site with 50 or more employees within a 75 mile radius.

Eligible employees may receive up to 12 workweeks of unpaid leave during a 12-month period. A 12-month period is measured backward from the first day of an employee's FMLA leave. Family medical leave is unpaid. Employees with accrued but unused vacation time are required to exhaust the accrued vacation time during their leave of absence, unless otherwise prohibited by state or federal law.

Leave will be granted for any of the following reasons: (1) the birth of the employee's child; (2) the placement of a child with the employee in connection with an adoption or foster care; (3) to care for a child, parent, domestic partner, grandparent or spouse who has a serious health condition; (4) due to the employee's own serious health condition; or (5) because of a qualifying exigency arising out of the fact that your spouse, son, daughter, or parent is on active duty, or has been notified of an impending call to active duty status, in support of a contingency operation.

Family Medical Leave Under California Family Rights Act

Bethel Lutheran Home provides family and medical leave in accordance with state law. To be eligible for family and medical leave benefits, you must: (1) have worked for us for a total of at least 12 months and (2) have worked at least 1,250 hours over the previous 12 months.

Eligible employees may receive up to a total of 12 workweeks of unpaid leave during a 12-month period. A 12-month period begins on the date of your first use of family and medical leave. Leave may be used for any of the following reasons:

- The birth or placement of a child for adoption or foster care.
- To care for an immediate family member, defined as a spouse, registered domestic partner, child, child of a registered domestic partner, grandchild, sibling, parent, parent-in-law or grandparent with a serious health condition.
- You are unable to work because of your own serious health condition.
- For any qualifying exigency because the employee is the spouse, son, daughter, or parent of an individual on active military duty (or has been notified of an impending call or order to active duty) in the Armed Forces in support of a contingency operation.

A leave taken due to a "qualifying exigency" related to military service must be supported by written proof of its necessity.

School Activities Leave

In accordance with state law, the Company will allow an employee to take up to 40 hours of time off in a 12-month period to participate in school activities for the employee's child, as is defined by state law.

Time Off to Appear at School When Required by The School

Employees who are the parent, grandparent or guardian of a pupil are permitted to appear at the school when the school has given notice. Employees will not be compensated for the time. Employees are required to give reasonable notice to their immediate supervisor or manager.

Pregnancy Disability Leave

Employees who are disabled due to pregnancy, childbirth, or related medical conditions, may be entitled to take unpaid leave for a pregnancy-related disability in accordance with California law. Bethel Lutheran Home requires medical certification for employees requiring pregnancy disability leave. This leave is unpaid but, employees may choose to use any accrued vacation time.

Time Off to Vote

Bethel Lutheran Home will provide employees with time off to vote in accordance with state law. When possible, the employee should make every effort to vote prior to or after their scheduled working hours.

No employee will be penalized or retaliated against for requesting time off to vote.

Crime Victims Leave

Bethel Lutheran Home provides crime victims leave in accordance with state law. You may take unpaid time off from work if you, an immediate family member (spouse, registered domestic partner, child, stepchild, brother, stepbrother, sister, stepsister, mother, stepmother, father, or stepfather) needs to seek medical attention for injuries caused by crime or abuse, to obtain services from prescribed entities as a result of crime or abuse, to obtain psychological counseling or mental health services related to an experience of crime or abuse, or to participate in safety planning and to take other actions to increase safety from future crimes or abuse. This leave is also available for a person whose immediate family member is deceased as the direct result of a crime.

You may use vacation or other accrued time off, if available. Please contact your supervisor for more information regarding leave for proceedings involving crime victims' rights.

Domestic Violence Leave

Bethel Lutheran Home will provide unpaid leave for victims of domestic violence or sexual assault in accordance with state law. Employees may use accrued vacation time during the leave.

Leave will be provided:

1. To seek medical attention for injuries caused by domestic violence, sexual assault, or stalking.
2. To obtain services from a domestic violence shelter, program, or rape crisis center because of domestic violence, sexual assault or stalking.
3. To obtain psychological counseling relating to an experience of domestic violence, sexual assault, or stalking
4. To participate in safety planning and to take other actions to increase safety from future domestic violence, sexual assault, or stalking, including temporary or permanent relocation

Employees are expected to provide as much notice as possible prior to taking domestic violence leave.

Organ & Bone Marrow Donor Leave

Employees will be eligible for up to 30 business days paid leave in any one (1) year period for organ donation and up to five (5) days paid leave for bone marrow donation. To qualify, you may be required to provide Bethel Lutheran Home with written verification of your status as an organ or bone marrow donor and the medical necessity for the donation.

Bethel Lutheran Home may require you to use up to five (5) days of accrued vacation time for Bone Marrow Donation Leave and up to two (2) weeks of such time for Organ Donation Leave. If an employee does not have enough earned vacation to cover the leave, the remaining days of leave will be with pay.

For Organ Donation Leave, an employee may be eligible for an additional 30 days of unpaid leave in addition to the leave described above.

Volunteer Emergency Services Provider Leave/Training

If you are a volunteer firefighter or a reserve peace officer, or if you provide certain emergency rescue services as defined by state law, upon request Bethel Lutheran Home will grant you up to 14 days of unpaid leave per calendar year for engaging in fire or law enforcement training. Under state law, employees who are emergency services providers may also be eligible for unpaid leave when performing certain emergency duties.

Civil Air Patrol Leave

Members of the Civil Air Patrol who have been employed at least 90 days are eligible for an unpaid leave of absence of a maximum of ten days per calendar year for the purpose of responding to an emergency operational mission of the California Wing of the Civil Air Patrol.

Jury Duty or Witness Leave

Employees are permitted to take an unpaid leave of absence for jury duty, as is required by state law. Employees are expected to notify their supervisor or manager of the need for time off for jury duty as soon as a notice or summons from the court is received. Written verification from the court clerk of having served is required. If work time remains after any day of jury selection or jury duty, you may be expected to return to work for the remainder of your work schedule. Employees may retain any mileage allowance, or related fees, paid by the court for jury or witness service. Employees who receive a subpoena to be a witness at a hearing or trial will be granted unpaid leave. The notice and verification requirements listed above for jury duty also apply to witness leave.

In Caring Hands

The very heart of Bethel can be seen each day in special quality caring that occurs. "In Caring Hands..." is not only a theme, but a reality that happens consistently in many special ways. It occurs through staff members who respond beyond the call of their job descriptions. It occurs through an administration and Board who work toward striving to create a vital ministry for the aging. It occurs through churches and organizations who ensure that Bethel's ministry is maintained through giving and support to meet ever expanding needs. All these are the hands of Bethel Lutheran Home.

We welcome **YOUR** caring hands!

Employee Acknowledgment

I hereby acknowledge receipt of the Bethel Lutheran Home Handbook. I have read, understand, and agree to follow the policies and procedures contained therein. I understand that, except for the employment at-will policy, Bethel Lutheran Home can change all policies or practices at any time.

In consideration of my employment, I agree to abide by Bethel Lutheran Home's policies and procedures and agree that, unless subject to a properly executed written agreement to the contrary, my employment and compensation can be terminated, with or without cause, and with or without notice, at any time, at the option of either Bethel Lutheran Home or me. My signature below certifies that I understand that no manager or representative of Bethel Lutheran Home other than the Administrator/Executive Director has any authority to enter into any agreement for employment with me for any specified period, or to make any agreement contrary to the foregoing, and that such changes must be in writing, unless Bethel Lutheran Home has entered into a properly executed written agreement to the contrary.

Employee Signature: _____ Date: _____

Printed Employee Name: _____

EXHIBIT 47

To

Section §999.5(d)(5)(E)

Submitted Confidentially Under Separate Cover

EXHIBIT 48

to

Section §999.5(d)(5)(E)

blue of california

Summary of Benefits

Group Plan
PPO Plan

Silver Tandem PPO 1700/60 OffEx

This Summary of Benefits shows the amount you will pay for Covered Services under this Blue Shield of California Plan. It is only a summary and it is included as part of the Evidence of Coverage (EOC).[1] Please read both documents carefully for details.

Medical Provider Network: **Tandem PPO Network**

This Plan uses a specific network of Health Care Providers, called the Tandem PPO provider network. Providers in this network are called Participating Providers. You pay less for Covered Services when you use a Participating Provider than when you use a Non-Participating Provider. You can find Participating Providers in this network at blueshieldca.com.

Pharmacy Network: **Rx Spectrum**

Drug Formulary: **Standard Formulary**

Calendar Year Deductibles (CYD)[2]

A Calendar Year Deductible (CYD) is the amount a Member pays each Calendar Year before Blue Shield pays for Covered Services under the Plan. Blue Shield pays for some Covered Services before the Calendar Year Deductible is met, as noted in the Benefits chart below.

		When using a Participating Provider[3]	When using any combination of Participating[3] and Non-Participating[4] Providers
Calendar Year medical Deductible	*Individual coverage*	$1,700	$3,400
	Family coverage	$1,700: individual	$3,400: individual
		$3,400: Family	$6,800: Family
Calendar Year pharmacy Deductible	*Individual coverage*	$300	Not covered
	Family coverage	$300: individual	Not covered
		$600: Family	

Calendar Year Out-of-Pocket Maximum[5]

An Out-of-Pocket Maximum is the most a Member will pay for Covered Services each Calendar Year. Any exceptions are listed in the Notes section at the end of this Summary of Benefits.

	When using a Participating Provider[3]	When using any combination of Participating[3] or Non-Participating[4] Providers
Individual coverage	$8,500	$17,000
Family coverage	$8,500: individual	$17,000: individual
	$17,000: Family	$34,000: Family

No Annual or Lifetime Dollar Limit

Under this Plan there is no annual or lifetime dollar limit on the amount Blue Shield will pay for Covered Services.

Blue Shield of California is an independent member of the Blue Shield Association

Benefits[6]	Your payment			
	When using a Participating Provider[3]	CYD[2] applies	When using a Non-Participating Provider[4]	CYD[2] applies
Preventive Health Services[7]				
Preventive Health Services	$0		Not covered	
California Prenatal Screening Program	$0		$0	
Physician services				
Primary care office visit	$60/visit		50%	✔
Specialist care office visit	$85/visit		50%	✔
Physician home visit	$60/visit		50%	✔
Physician or surgeon services in an Outpatient Facility	35%	✔	50%	✔
Physician or surgeon services in an inpatient facility	35%	✔	50%	✔
Other professional services				
Other practitioner office visit *Includes nurse practitioners, physician assistants, therapists, and podiatrists.*	$60/visit		50%	✔
Acupuncture services	$25/visit	✔	50%	✔
Chiropractic services *Up to 20 visits per Member, per Calendar Year.*	$15/visit		50%	✔
Teladoc consultation	$0		Not covered	
Family planning • Counseling, consulting, and education	$0		Not covered	
• Injectable contraceptive, diaphragm fitting, intrauterine device (IUD), implantable contraceptive, and related procedure.	$0		Not covered	
• Tubal ligation	$0		Not covered	
• Vasectomy	$0		Not covered	
Medical nutrition therapy, not related to diabetes	35%	✔	50%	✔
Pregnancy and maternity care				
Physician office visits: prenatal and initial postnatal	$0		50%	✔
Abortion and abortion-related services	$0		$0	
Emergency Services				
Emergency room services *If admitted to the Hospital, this payment for emergency room services does not apply. Instead, you pay the Participating Provider payment under Inpatient facility services/ Hospital services and stay.*	$300/visit plus 35%	✔	$300/visit plus 35%	✔
Emergency room Physician services	35%	✔	35%	✔

Benefits[6]	Your payment			
	When using a Participating Provider[3]	CYD[2] applies	When using a Non-Participating Provider[4]	CYD[2] applies
Urgent care center services	$60/visit		50%	✔
Ambulance services *This payment is for emergency or authorized transport.*	35%	✔	35%	✔
Outpatient Facility services				
Ambulatory Surgery Center	35%	✔	50% Subject to a Benefit maximum of $350/day	✔
Outpatient Department of a Hospital: surgery	$250/surgery plus 35%	✔	50% Subject to a Benefit maximum of $350/day	✔
Outpatient Department of a Hospital: treatment of illness or injury, radiation therapy, chemotherapy, and necessary supplies	35%	✔	50% Subject to a Benefit maximum of $350/day	✔
Inpatient facility services				
Hospital services and stay	35%	✔	50% Subject to a Benefit maximum of $2,000/day	✔
Transplant services *This payment is for all covered transplants except tissue and kidney. For tissue and kidney transplant services, the payment for Inpatient facility services/ Hospital services and stay applies.*				
• Special transplant facility inpatient services	35%	✔	Not covered	
• Physician inpatient services	35%	✔	Not covered	
Bariatric surgery services, designated California counties *This payment is for bariatric surgery services for residents of designated California counties. For bariatric surgery services for residents of non-designated California counties, the payments for Inpatient facility services/ Hospital services and stay and Physician inpatient and surgery services apply for inpatient services; or, if provided on an outpatient basis, the Outpatient Facility services and outpatient Physician services payments apply.*				
Inpatient facility services	35%	✔	Not covered	
Outpatient Facility services	$250/surgery plus 35%	✔	Not covered	
Physician services	35%	✔	Not covered	

Benefits[6]	Your payment			
	When using a Participating Provider[3]	CYD[2] applies	When using a Non-Participating Provider[4]	CYD[2] applies
Diagnostic x-ray, imaging, pathology, and laboratory services				
This payment is for Covered Services that are diagnostic, non-Preventive Health Services, and diagnostic radiological procedures. For the payments for Covered Services that are considered Preventive Health Services, see Preventive Health Services.				
Laboratory and pathology services *Includes diagnostic Papanicolaou (Pap) test.*				
• Laboratory center	$60/visit		50%	✔
• Outpatient Department of a Hospital	35%	✔	50% Subject to a Benefit maximum of $350/day	✔
Basic imaging services *Includes plain film X-rays, ultrasounds, and diagnostic mammography.*				
• Outpatient radiology center	$80/visit		50%	✔
• Outpatient Department of a Hospital	$130/visit	✔	50% Subject to a Benefit maximum of $350/day	✔
Other outpatient non-invasive diagnostic testing *Testing to diagnose illness or injury such as vestibular function tests, EKG, cardiac monitoring, non-invasive vascular studies, sleep medicine testing, muscle and range of motion tests, EEG, and EMG.*				
• Office location	$80/visit		50%	✔
• Outpatient Department of a Hospital	$130/visit	✔	50% Subject to a Benefit maximum of $350/day	✔
Advanced imaging services *Includes diagnostic radiological and nuclear imaging such as CT scans, MRIs, MRAs, and PET scans.*				
• Outpatient radiology center	35%	✔	50%	✔
• Outpatient Department of a Hospital	$150/visit plus 35%	✔	50% Subject to a Benefit maximum of $350/day	✔

Benefits[6]	Your payment			
	When using a Participating Provider[3]	CYD[2] applies	When using a Non-Participating Provider[4]	CYD[2] applies
Rehabilitative and Habilitative Services *Includes Physical Therapy, Occupational Therapy, Respiratory Therapy, and Speech Therapy services. There is no visit limit for Rehabilitative or Habilitative Services.*				
Office location	$60/visit		50%	✔
Outpatient Department of a Hospital	$60/visit		50% Subject to a Benefit maximum of $350/day	✔
Durable medical equipment (DME)				
DME	50%	✔	Not covered	
Breast pump	$0		Not covered	
Orthotic equipment and devices	35%	✔	Not covered	
Prosthetic equipment and devices	35%	✔	Not covered	
Home health care services *Up to 100 visits per Member, per Calendar Year, by a home health care agency. All visits count towards the limit, including visits during any applicable Deductible period. Includes home visits by a nurse, Home Health Aide, medical social worker, physical therapist, speech therapist, or occupational therapist, and medical supplies.*	35%	✔	Not covered	
Home infusion and home injectable therapy services				
Home infusion agency services *Includes home infusion drugs, medical supplies, and visits by a nurse.*	$45/visit	✔	Not covered	
Hemophilia home infusion services *Includes blood factor products.*	$45/visit	✔	Not covered	
Skilled Nursing Facility (SNF) services *Up to 100 days per Member, per benefit period, except when provided as part of a Hospice program. All days count towards the limit, including days during any applicable Deductible period and days in different SNFs during the Calendar Year.*				
Freestanding SNF	35%	✔	50%	✔
Hospital-based SNF	35%	✔	50% Subject to a Benefit maximum of $2,000/day	✔

Benefits[6]	Your payment			
	When using a Participating Provider[3]	CYD[2] applies	When using a Non-Participating Provider[4]	CYD[2] applies
Hospice program services *Includes pre-Hospice consultation, routine home care, 24-hour continuous home care, short-term inpatient care for pain and symptom management, and inpatient respite care.*	$0	✔	Not covered	
Other services and supplies				
Diabetes care services • Devices, equipment, and supplies	50%	✔	Not covered	
• Self-management training	$0		50%	✔
• Medical nutrition therapy	$0		50%	✔
Dialysis services	35%	✔	50% Subject to a Benefit maximum of $350/day	✔
PKU product formulas and special food products	35%	✔	35%	✔
Allergy serum billed separately from an office visit	35%	✔	50%	✔

Mental Health and Substance Use Disorder Benefits	Your payment			
Mental health and substance use disorder Benefits are provided through Blue Shield's Mental Health Service Administrator (MHSA).	When using a MHSA Participating Provider[3]	CYD[2] applies	When using a MHSA Non-Participating Provider[4]	CYD[2] applies
Outpatient services				
Office visit, including Physician office visit	$60/visit		50%	✔
Teladoc mental health	$0		Not covered	
Other outpatient services, including intensive outpatient care, electroconvulsive therapy, transcranial magnetic stimulation, Behavioral Health Treatment for pervasive developmental disorder or autism in an office setting, home, or other non-institutional facility setting, and office-based opioid treatment	35%	✔	50%	✔
Partial Hospitalization Program	35%	✔	50% Subject to a Benefit maximum of $350/day	✔
Psychological Testing	35%	✔	50%	✔
Inpatient services				
Physician inpatient services	35%	✔	50%	✔

Mental Health and Substance Use Disorder Benefits	Your payment			
Mental health and substance use disorder Benefits are provided through Blue Shield's Mental Health Service Administrator (MHSA).	**When using a MHSA Participating Provider[3]**	**CYD[2] applies**	**When using a MHSA Non-Participating Provider[4]**	**CYD[2] applies**
Hospital services	35%	✔	50% Subject to a Benefit maximum of $2,000/day	✔
Residential Care	35%	✔	50% Subject to a Benefit maximum of $2,000/day	✔

Prescription Drug Benefits[8,9]	Your payment				
A separate Calendar Year pharmacy Deductible applies.	**When using a Participating Pharmacy[3]**		**CYD[2] applies**	**When using a Non-Participating Pharmacy[4]**	**CYD[2] applies**
	Level A	**Level B**			
Retail pharmacy prescription Drugs *Per prescription, up to a 30-day supply.*					
Contraceptive Drugs and devices	$0	$0		Not covered	
Tier 1 Drugs	$25/prescription	$30/prescription		Not covered	
Tier 2 Drugs	$80/prescription	$105/prescription	✔	Not covered	
Tier 3 Drugs	$115/prescription	$155/prescription	✔	Not covered	
Tier 4 Drugs	30% up to $250/prescription	30% up to $250/prescription	✔	Not covered	
Retail pharmacy prescription Drugs *Per prescription, for a 90-day supply.*					
Contraceptive Drugs and devices	$0	$0		Not covered	
Tier 1 Drugs	$75/prescription	$90/prescription		Not covered	
Tier 2 Drugs	$240/prescription	$315/prescription	✔	Not covered	
Tier 3 Drugs	$345/prescription	$465/prescription	✔	Not covered	
Tier 4 Drugs	30% up to $750/prescription	30% up to $750/prescription	✔	Not covered	
Mail service pharmacy prescription Drugs *Per prescription, for a 31-90-day supply.*					
Contraceptive Drugs and devices	$0			Not covered	

Prescription Drug Benefits[8,9]	Your payment			
A separate Calendar Year pharmacy Deductible applies.	**When using a Participating Pharmacy[3]**	**CYD[2] applies**	**When using a Non-Participating Pharmacy[4]**	**CYD[2] applies**
Tier 1 Drugs	$50/prescription		Not covered	
Tier 2 Drugs	$160/prescription	✔	Not covered	
Tier 3 Drugs	$230/prescription	✔	Not covered	
Tier 4 Drugs	30% up to $500/prescription	✔	Not covered	

Pediatric Benefits	Your payment			
Pediatric Benefits are available through the end of the month in which the Member turns 19.	**When using a Participating Dentist[3]**	**CYD[2] applies**	**When using a Non-Participating Dentist[4]**	**CYD[2] applies**
Pediatric dental[10]				
Diagnostic and preventive services				
• Oral exam	$0		20%	
• Preventive – cleaning	$0		20%	
• Preventive – x-ray	$0		20%	
• Sealants per tooth	$0		20%	
• Topical fluoride application	$0		20%	
• Space maintainers - fixed	$0		20%	
Basic services				
• Restorative procedures	20%		30%	
• Periodontal maintenance	20%		30%	
• Adjunctive general services	20%		30%	
Major services				
• Oral surgery	50%		50%	
• Endodontics	50%		50%	
• Periodontics (other than maintenance)	50%		50%	
• Crowns and casts	50%		50%	
• Prosthodontics	50%		50%	
Orthodontics (Medically Necessary)	50%		50%	

Pediatric Benefits	Your payment			
Pediatric Benefits are available through the end of the month in which the Member turns 19.	**When using a Participating Provider[3]**	**CYD[2] applies**	**When using a Non-Participating Provider[4]**	**CYD[2] applies**
Pediatric vision[11]				
Comprehensive eye examination *One exam per Calendar Year.*				
• Ophthalmologic visit	$0		All charges above $30	
• Optometric visit	$0		All charges above $30	
Contact lens fitting and evaluation *When you choose contact lenses instead of eyeglasses, one per Member every 12 months by a Participating Provider if administered at the same time as the comprehensive exam. There is a maximum of two follow up visits.*				
• Standard lenses	$0		Not covered	
• Non-standard lenses	All charges above $60		Not covered	
Eyewear/materials *One eyeglass frame and eyeglass lenses, or contact lenses instead of eyeglasses, up to the Benefit per Calendar Year. Any exceptions are noted below.*				
• Contact lenses				
Non-elective (Medically Necessary) - hard or soft	$0		All charges above $225	
Up to two pairs per eye per Calendar Year.				
Elective (cosmetic/convenience)				
Standard and non-standard, hard	$0		All charges above $75	
Up to a 3 month supply for each eye per Calendar Year based on lenses selected.				
Standard and non-standard, soft	$0		All charges above $75	
Up to a 6 month supply for each eye per Calendar Year based on lenses selected.				
• Eyeglass frames				
Collection frames	$0		All charges above $40	
Non-collection frames	All charges above $150		All charges above $40	

Pediatric Benefits	Your payment			
Pediatric Benefits are available through the end of the month in which the Member turns 19.	**When using a Participating Provider[3]**	**CYD[2] applies**	**When using a Non-Participating Provider[4]**	**CYD[2] applies**
• Eyeglass lenses *Lenses include choice of glass or plastic lenses, all lens powers (single vision, bifocal, trifocal, lenticular), fashion or gradient tint, scratch coating, oversized, and glass-grey #3 prescription sunglasses.*				
Single vision	$0		All charges above $25	
Lined bifocal	$0		All charges above $35	
Lined trifocal	$0		All charges above $45	
Lenticular	$0		All charges above $45	
Optional eyeglass lenses and treatments				
• Ultraviolet protective coating (standard only)	$0		Not covered	
• Polycarbonate lenses	$0		Not covered	
• Standard progressive lenses	$55		Not covered	
• Premium progressive lenses	$95		Not covered	
• Anti-reflective lens coating (standard only)	$35		Not covered	
• Photochromic - glass lenses	$25		Not covered	
• Photochromic - plastic lenses	$25		Not covered	
• High index lenses	$30		Not covered	
• Polarized lenses	$45		Not covered	
Low vision testing and equipment				
• Comprehensive low vision exam *Once every 5 Calendar Years.*	35%		Not covered	
• Low vision devices *One aid per Calendar Year.*	35%		Not covered	

Prior Authorization

The following are some frequently-utilized Benefits that require prior authorization:

- Advanced imaging services
- Outpatient mental health services, except office visits and office-based opioid treatment
- Inpatient facility services
- Pediatric vision non-elective contact lenses and low vision testing and equipment
- Hospice program services
- Some prescription Drugs (see blueshieldca.com/pharmacy)

Please review the Evidence of Coverage for more about Benefits that require prior authorization.

Notes

1 Evidence of Coverage (EOC):

The Evidence of Coverage (EOC) describes the Benefits, limitations, and exclusions that apply to coverage under this Plan. Please review the EOC for more details of coverage outlined in this Summary of Benefits. You can request a copy of the EOC at any time.

Capitalized terms are defined in the EOC. Refer to the EOC for an explanation of the terms used in this Summary of Benefits.

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2 Calendar Year Deductible (CYD):

Calendar Year Deductible explained. A Calendar Year Deductible is the amount you pay each Calendar Year before Blue Shield pays for Covered Services under the Plan.

If this Plan has any Calendar Year Deductible(s), Covered Services subject to that Deductible are identified with a check mark (✔) in the Benefits chart above.

Covered Services not subject to the Calendar Year medical Deductible. Some Covered Services received from Participating Providers are paid by Blue Shield before you meet any Calendar Year medical Deductible. These Covered Services do not have a check mark (✔) next to them in the "CYD applies" column in the Benefits chart above.

This Plan has a separate medical Deductible and pharmacy Deductible.

*This Plan has a Participating Provider Calendar Year Deductible as well as a combined Participating Provider and Non-Participating Provider Calendar Year Deductible.*This means that any amounts you pay towards your Participating Provider Calendar Year Deductible also count towards your combined Participating and Non-Participating Provider Calendar Year Deductible.

Family coverage has an individual Deductible within the Family Deductible. This means that the Deductible will be met for an individual with Family coverage who meets the individual Deductible prior to the Family meeting the Family Deductible within a Calendar Year. Any amount you have paid toward the individual Deductible will be applied to both the individual Deductible and the Family Deductible. Once the individual Deductible or Family Deductible is reached, cost sharing applies until the Out-of-Pocket Maximum is reached.

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3 Using Participating Providers:

Participating Providers have a contract to provide health care services to Members. When you receive Covered Services from a Participating Provider, you are only responsible for the Copayment or Coinsurance, once any Calendar Year Deductible has been met.

Participating Pharmacies. Blue Shield has two participation levels for retail pharmacies; Level A and Level B. You can go to any Level A or Level B pharmacy to obtain covered Drugs.

Teladoc. Teladoc mental health and substance use disorder consultations are provided through Teladoc. These services are not administered by Blue Shield's Mental Health Service Administrator (MHSA).

"Allowable Amount" is defined in the EOC. In addition:

- Coinsurance is calculated from the Allowable Amount.

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4 Using Non-Participating Providers:

Non-Participating Providers do not have a contract to provide health care services to Members. When you receive Covered Services from a Non-Participating Provider, you are responsible for:

- the Copayment or Coinsurance (once any Calendar Year Deductible has been met), and
- any charges above the Allowable Amount.

"Allowable Amount" is defined in the EOC. In addition:

- Coinsurance is calculated from the Allowable Amount, which is subject to any stated Benefit maximum.
- Charges above the Allowable Amount do not count towards the Out-of-Pocket Maximum, and are your responsibility for payment to the provider. This out-of-pocket expense can be significant.

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5 Calendar Year Out-of-Pocket Maximum (OOPM):

Calendar Year Out-of-Pocket Maximum explained. The Out-of-Pocket Maximum is the most you are required to pay for Covered Services in a Calendar Year. Once you reach your Out-of-Pocket Maximum, Blue Shield will pay 100% of the Allowable Amount for Covered Services for the rest of the Calendar Year.

Your payment after you reach the Calendar Year OOPM. You will continue to pay all charges for the following Covered Services after the Calendar Year Out-of-Pocket Maximum is met:

- dialysis center Benefits: dialysis services from a Non-Participating Provider.
- charges for services that are not covered and charges above the Allowable Amount.

Any Deductibles count towards the OOPM. Any amounts you pay that count towards the medical or pharmacy Calendar Year Deductible also count towards the Calendar Year Out-of-Pocket Maximum.

This Plan has a Participating Provider OOPM as well as a combined Participating Provider and Non-Participating Provider OOPM. This means that any amounts you pay towards your Participating Provider OOPM also count towards your combined Participating and Non-Participating Provider OOPM.

Family coverage has an individual OOPM within the Family OOPM. This means that the OOPM will be met for an individual with Family coverage who meets the individual OOPM prior to the Family meeting the Family OOPM within a Calendar Year. Any amount you have paid toward the individual OOPM will be applied to both the individual OOPM and the Family OOPM, except for Out-of-Network pediatric dental services. Cost sharing payments for pediatric dental services made by each individual child for Out-of-Network Covered Services do not accumulate to the Family Out-of-Pocket Maximum.

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6 Separate Member Payments When Multiple Covered Services are Received:

Each time you receive multiple Covered Services, you might have separate payments (Copayment or Coinsurance) for each service. When this happens, you may be responsible for multiple Copayments or Coinsurance. For example, you may owe an office visit payment in addition to an allergy serum payment when you visit the doctor for an allergy shot.

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7 Preventive Health Services:

If you only receive Preventive Health Services during a Physician office visit, there is no Copayment or Coinsurance for the visit. If you receive both Preventive Health Services and other Covered Services during the Physician office visit, you may have a Copayment or Coinsurance for the visit.

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8 Outpatient Prescription Drug Coverage:

Medicare Part D-creditable coverage-

This Plan's prescription drug coverage is on average equivalent to or better than the standard benefit set by the federal government for Medicare Part D (also called creditable coverage). Because this plan's prescription drug coverage is creditable, you do not have to enroll in Medicare Part D while you maintain this coverage; however, you should be aware that if you do not enroll in Medicare Part D within 63 days following termination of this coverage, you could be subject to Medicare Part D premium penalties.

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9 Outpatient Prescription Drug Coverage:

Brand Drug coverage when a Generic or Biosimilar Drug is available. If you, the Physician, or Health Care Provider, select a Brand Drug when a Generic Drug equivalent or Biosimilar Drug is available, you are responsible for the

difference between the cost to Blue Shield for the Brand Drug and its Generic Drug equivalent or Biosimilar Drug plus the applicable tier Copayment or Coinsurance of the Brand Drug. This difference in cost will not count towards any Calendar Year pharmacy Deductible, medical Deductible, or the Calendar Year Out-of-Pocket Maximum.

See the Obtaining outpatient prescription Drugs at a Participating Pharmacy section of the EOC for more information about how a brand contraceptive may be covered without a Copayment or Coinsurance.

Request for Medical Necessity Review. If you or your Physician believes a Brand Drug is Medically Necessary, either person may request a Medical Necessity Review. If approved, the Brand Drug will be covered at the applicable Drug tier Copayment or Coinsurance.

Short-Cycle Specialty Drug program. This program allows initial prescriptions for select Specialty Drugs to be filled for a 15-day supply with your approval. When this occurs, the Copayment or Coinsurance will be pro-rated.

Specialty Drugs. Specialty Drugs are only available from a Network Specialty Pharmacy, up to a 30-day supply.

Oral Anticancer Drugs. You pay up to $250 for oral Anticancer Drugs from a Participating Pharmacy, up to a 30-day supply. Oral Anticancer Drugs from a Participating Pharmacy are not subject to any Deductible.

Retail pharmacy. You may receive up to a 90-day supply for maintenance Drugs at a Participating Pharmacy when you pay the applicable Copayment or Coinsurance for each 30-day supply.

Mail service Drugs. You pay the applicable 30-day retail pharmacy Copayment or Coinsurance for a 30-day supply or less from the mail service pharmacy.

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10 Pediatric Dental Coverage:

Pediatric dental Benefits are provided through Blue Shield's Dental Plan Administrator (DPA).

Orthodontic Covered Services. The Copayment or Coinsurance for Medically Necessary orthodontic Covered Services applies to a course of treatment even if it extends beyond a Calendar Year. This applies as long as the Member remains enrolled in the Plan.

This plan is compliant with requirements of the pediatric dental EHB benchmark plan, including coverage of services in circumstances of Medical Necessity as defined in the Early Periodic Screening, Diagnosis and Treatment (EPSDT) benefit.

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11 Pediatric Vision Coverage:

Pediatric vision Benefits are provided through Blue Shield's Vision Plan Administrator (VPA).

Covered Services from Non-Participating Providers. There is no Copayment or Coinsurance up to the listed Allowable Amount. You pay all charges above the Allowable Amount.

Coverage for frames. If frames are selected that are more expensive than the Allowable Amount established for frames under this Benefit, you pay the difference between the Allowable Amount and the provider's charge.

"Collection frames" are covered with no Member payment from Participating Providers. Retail chain Participating Providers do not usually display the frames as "collection," but a comparable selection of frames is maintained.

"Non-collection frames" are covered up to an Allowable Amount of $150; however, if the Participating Provider uses:

- wholesale pricing, then the Allowable Amount will be up to $103.64.

Participating Providers using wholesale pricing are identified in the provider directory.

Plans may be modified to ensure compliance with State and Federal requirements.

EXHIBIT 49

to

Section §999.5(d)(5)(E)

blue of california

Summary of Benefits

Group Plan
PPO Plan

Silver Full PPO 1700/60 OffEx

This Summary of Benefits shows the amount you will pay for Covered Services under this Blue Shield of California Plan. It is only a summary and it is included as part of the Evidence of Coverage (EOC).[1] Please read both documents carefully for details.

Medical Provider Network:	**Full PPO Network**

This Plan uses a specific network of Health Care Providers, called the Full PPO provider network. Providers in this network are called Participating Providers. You pay less for Covered Services when you use a Participating Provider than when you use a Non-Participating Provider. You can find Participating Providers in this network at blueshieldca.com.

Pharmacy Network:	**Rx Ultra**
Drug Formulary:	**Standard Formulary**

Calendar Year Deductibles (CYD)[2]

A Calendar Year Deductible (CYD) is the amount a Member pays each Calendar Year before Blue Shield pays for Covered Services under the Plan. Blue Shield pays for some Covered Services before the Calendar Year Deductible is met, as noted in the Benefits chart below.

		When using a Participating Provider[3]	When using any combination of Participating[3] and Non-Participating[4] Providers
Calendar Year medical Deductible	*Individual coverage*	$1,700	$3,400
	Family coverage	$1,700: individual	$3,400: individual
		$3,400: Family	$6,800: Family
Calendar Year pharmacy Deductible	*Individual coverage*	$300	Not covered
	Family coverage	$300: individual	Not covered
		$600: Family	

Calendar Year Out-of-Pocket Maximum[5]

An Out-of-Pocket Maximum is the most a Member will pay for Covered Services each Calendar Year. Any exceptions are listed in the Notes section at the end of this Summary of Benefits.

	When using a Participating Provider[3]	When using any combination of Participating[3] or Non-Participating[4] Providers
Individual coverage	$8,500	$17,000
Family coverage	$8,500: individual	$17,000: individual
	$17,000: Family	$34,000: Family

No Annual or Lifetime Dollar Limit

Under this Plan there is no annual or lifetime dollar limit on the amount Blue Shield will pay for Covered Services.

Blue Shield of California is an independent member of the Blue Shield Association

Benefits[6]	Your payment			
	When using a Participating Provider[3]	CYD[2] applies	When using a Non-Participating Provider[4]	CYD[2] applies
Preventive Health Services[7]				
Preventive Health Services	$0		Not covered	
California Prenatal Screening Program	$0		$0	
Physician services				
Primary care office visit	$60/visit		50%	✔
Specialist care office visit	$85/visit		50%	✔
Physician home visit	$60/visit		50%	✔
Physician or surgeon services in an Outpatient Facility	35%	✔	50%	✔
Physician or surgeon services in an inpatient facility	35%	✔	50%	✔
Other professional services				
Other practitioner office visit *Includes nurse practitioners, physician assistants, therapists, and podiatrists.*	$60/visit		50%	✔
Acupuncture services	$25/visit	✔	50%	✔
Chiropractic services *Up to 20 visits per Member, per Calendar Year.*	$15/visit		50%	✔
Teladoc consultation	$0		Not covered	
Family planning • Counseling, consulting, and education	$0		Not covered	
• Injectable contraceptive, diaphragm fitting, intrauterine device (IUD), implantable contraceptive, and related procedure.	$0		Not covered	
• Tubal ligation	$0		Not covered	
• Vasectomy	$0		Not covered	
Medical nutrition therapy, not related to diabetes	35%	✔	50%	✔
Pregnancy and maternity care				
Physician office visits: prenatal and initial postnatal	$0		50%	✔
Abortion and abortion-related services	$0		$0	
Emergency Services				
Emergency room services *If admitted to the Hospital, this payment for emergency room services does not apply. Instead, you pay the Participating Provider payment under Inpatient facility services/ Hospital services and stay.*	$300/visit plus 35%	✔	$300/visit plus 35%	✔
Emergency room Physician services	35%	✔	35%	✔

Benefits[6]	Your payment			
	When using a Participating Provider[3]	CYD[2] applies	When using a Non-Participating Provider[4]	CYD[2] applies
Urgent care center services	$60/visit		50%	✔
Ambulance services *This payment is for emergency or authorized transport.*	35%	✔	35%	✔
Outpatient Facility services				
Ambulatory Surgery Center	35%	✔	50% Subject to a Benefit maximum of $350/day	✔
Outpatient Department of a Hospital: surgery	$250/surgery plus 35%	✔	50% Subject to a Benefit maximum of $350/day	✔
Outpatient Department of a Hospital: treatment of illness or injury, radiation therapy, chemotherapy, and necessary supplies	35%	✔	50% Subject to a Benefit maximum of $350/day	✔
Inpatient facility services				
Hospital services and stay	35%	✔	50% Subject to a Benefit maximum of $2,000/day	✔
Transplant services *This payment is for all covered transplants except tissue and kidney. For tissue and kidney transplant services, the payment for Inpatient facility services/ Hospital services and stay applies.*				
• Special transplant facility inpatient services	35%	✔	Not covered	
• Physician inpatient services	35%	✔	Not covered	
Bariatric surgery services, designated California counties *This payment is for bariatric surgery services for residents of designated California counties. For bariatric surgery services for residents of non-designated California counties, the payments for Inpatient facility services/ Hospital services and stay and Physician inpatient and surgery services apply for inpatient services; or, if provided on an outpatient basis, the Outpatient Facility services and outpatient Physician services payments apply.*				
Inpatient facility services	35%	✔	Not covered	
Outpatient Facility services	$250/surgery plus 35%	✔	Not covered	
Physician services	35%	✔	Not covered	

Benefits[6]	Your payment			
	When using a Participating Provider[3]	CYD[2] applies	When using a Non-Participating Provider[4]	CYD[2] applies
Diagnostic x-ray, imaging, pathology, and laboratory services				
This payment is for Covered Services that are diagnostic, non-Preventive Health Services, and diagnostic radiological procedures. For the payments for Covered Services that are considered Preventive Health Services, see Preventive Health Services.				
Laboratory and pathology services *Includes diagnostic Papanicolaou (Pap) test.*				
• Laboratory center	$60/visit		50%	✔
• Outpatient Department of a Hospital	35%	✔	50% Subject to a Benefit maximum of $350/day	✔
Basic imaging services *Includes plain film X-rays, ultrasounds, and diagnostic mammography.*				
• Outpatient radiology center	$80/visit		50%	✔
• Outpatient Department of a Hospital	$130/visit	✔	50% Subject to a Benefit maximum of $350/day	✔
Other outpatient non-invasive diagnostic testing *Testing to diagnose illness or injury such as vestibular function tests, EKG, cardiac monitoring, non-invasive vascular studies, sleep medicine testing, muscle and range of motion tests, EEG, and EMG.*				
• Office location	$80/visit		50%	✔
• Outpatient Department of a Hospital	$130/visit	✔	50% Subject to a Benefit maximum of $350/day	✔
Advanced imaging services *Includes diagnostic radiological and nuclear imaging such as CT scans, MRIs, MRAs, and PET scans.*				
• Outpatient radiology center	35%	✔	50%	✔
• Outpatient Department of a Hospital	$150/visit plus 35%	✔	50% Subject to a Benefit maximum of $350/day	✔

Benefits[6]	Your payment			
	When using a Participating Provider[3]	CYD[2] applies	When using a Non-Participating Provider[4]	CYD[2] applies
Rehabilitative and Habilitative Services *Includes Physical Therapy, Occupational Therapy, Respiratory Therapy, and Speech Therapy services. There is no visit limit for Rehabilitative or Habilitative Services.*				
Office location	$60/visit		50%	✔
Outpatient Department of a Hospital	$60/visit		50% Subject to a Benefit maximum of $350/day	✔
Durable medical equipment (DME)				
DME	50%	✔	Not covered	
Breast pump	$0		Not covered	
Orthotic equipment and devices	35%	✔	Not covered	
Prosthetic equipment and devices	35%	✔	Not covered	
Home health care services *Up to 100 visits per Member, per Calendar Year, by a home health care agency. All visits count towards the limit, including visits during any applicable Deductible period. Includes home visits by a nurse, Home Health Aide, medical social worker, physical therapist, speech therapist, or occupational therapist, and medical supplies.*	35%	✔	Not covered	
Home infusion and home injectable therapy services				
Home infusion agency services *Includes home infusion drugs, medical supplies, and visits by a nurse.*	$45/visit	✔	Not covered	
Hemophilia home infusion services *Includes blood factor products.*	$45/visit	✔	Not covered	
Skilled Nursing Facility (SNF) services *Up to 100 days per Member, per benefit period, except when provided as part of a Hospice program. All days count towards the limit, including days during any applicable Deductible period and days in different SNFs during the Calendar Year.*				
Freestanding SNF	35%	✔	50%	✔
Hospital-based SNF	35%	✔	50% Subject to a Benefit maximum of $2,000/day	✔

Benefits[6]	Your payment			
	When using a Participating Provider[3]	CYD[2] applies	When using a Non-Participating Provider[4]	CYD[2] applies
Hospice program services *Includes pre-Hospice consultation, routine home care, 24-hour continuous home care, short-term inpatient care for pain and symptom management, and inpatient respite care.*	$0	✔	Not covered	
Other services and supplies				
Diabetes care services • Devices, equipment, and supplies	50%	✔	Not covered	
• Self-management training	$0		50%	✔
• Medical nutrition therapy	$0		50%	✔
Dialysis services	35%	✔	50% Subject to a Benefit maximum of $350/day	✔
PKU product formulas and special food products	35%	✔	35%	✔
Allergy serum billed separately from an office visit	35%	✔	50%	✔

Mental Health and Substance Use Disorder Benefits	Your payment			
Mental health and substance use disorder Benefits are provided through Blue Shield's Mental Health Service Administrator (MHSA).	When using a MHSA Participating Provider[3]	CYD[2] applies	When using a MHSA Non-Participating Provider[4]	CYD[2] applies
Outpatient services				
Office visit, including Physician office visit	$60/visit		50%	✔
Teladoc mental health	$0		Not covered	
Other outpatient services, including intensive outpatient care, electroconvulsive therapy, transcranial magnetic stimulation, Behavioral Health Treatment for pervasive developmental disorder or autism in an office setting, home, or other non-institutional facility setting, and office-based opioid treatment	35%	✔	50%	✔
Partial Hospitalization Program	35%	✔	50% Subject to a Benefit maximum of $350/day	✔
Psychological Testing	35%	✔	50%	✔
Inpatient services				
Physician inpatient services	35%	✔	50%	✔

Mental Health and Substance Use Disorder Benefits	Your payment			
Mental health and substance use disorder Benefits are provided through Blue Shield's Mental Health Service Administrator (MHSA).	**When using a MHSA Participating Provider[3]**	**CYD[2] applies**	**When using a MHSA Non-Participating Provider[4]**	**CYD[2] applies**
Hospital services	35%	✔	50% Subject to a Benefit maximum of $2,000/day	✔
Residential Care	35%	✔	50% Subject to a Benefit maximum of $2,000/day	✔

Prescription Drug Benefits[8,9]	Your payment			
A separate Calendar Year pharmacy Deductible applies.	**When using a Participating Pharmacy[3]**	**CYD[2] applies**	**When using a Non-Participating Pharmacy[4]**	**CYD[2] applies**
Retail pharmacy prescription Drugs				
Per prescription, up to a 30-day supply.				
Contraceptive Drugs and devices	$0		Not covered	
Tier 1 Drugs	$25/prescription		Not covered	
Tier 2 Drugs	$80/prescription	✔	Not covered	
Tier 3 Drugs	$115/prescription	✔	Not covered	
Tier 4 Drugs	30% up to $250/prescription	✔	Not covered	
Retail pharmacy prescription Drugs				
Per prescription, for a 90-day supply.				
Contraceptive Drugs and devices	$0		Not covered	
Tier 1 Drugs	$75/prescription		Not covered	
Tier 2 Drugs	$240/prescription	✔	Not covered	
Tier 3 Drugs	$345/prescription	✔	Not covered	
Tier 4 Drugs	30% up to $750/prescription	✔	Not covered	
Mail service pharmacy prescription Drugs				
Per prescription, for a 31-90-day supply.				
Contraceptive Drugs and devices	$0		Not covered	
Tier 1 Drugs	$50/prescription		Not covered	
Tier 2 Drugs	$160/prescription	✔	Not covered	

Prescription Drug Benefits[8,9]	Your payment			
A separate Calendar Year pharmacy Deductible applies.	**When using a Participating Pharmacy[3]**	**CYD[2] applies**	**When using a Non-Participating Pharmacy[4]**	**CYD[2] applies**
Tier 3 Drugs	$230/prescription	✔	Not covered	
Tier 4 Drugs	30% up to $500/prescription	✔	Not covered	

Pediatric Benefits	Your payment			
Pediatric Benefits are available through the end of the month in which the Member turns 19.	**When using a Participating Dentist[3]**	**CYD[2] applies**	**When using a Non-Participating Dentist[4]**	**CYD[2] applies**
Pediatric dental[10]				
Diagnostic and preventive services				
• Oral exam	$0		20%	
• Preventive – cleaning	$0		20%	
• Preventive – x-ray	$0		20%	
• Sealants per tooth	$0		20%	
• Topical fluoride application	$0		20%	
• Space maintainers - fixed	$0		20%	
Basic services				
• Restorative procedures	20%		30%	
• Periodontal maintenance	20%		30%	
• Adjunctive general services	20%		30%	
Major services				
• Oral surgery	50%		50%	
• Endodontics	50%		50%	
• Periodontics (other than maintenance)	50%		50%	
• Crowns and casts	50%		50%	
• Prosthodontics	50%		50%	
Orthodontics (Medically Necessary)	50%		50%	

Pediatric Benefits	Your payment			
Pediatric Benefits are available through the end of the month in which the Member turns 19.	**When using a Participating Provider[3]**	**CYD[2] applies**	**When using a Non-Participating Provider[4]**	**CYD[2] applies**
Pediatric vision[11]				
Comprehensive eye examination *One exam per Calendar Year.*				
• Ophthalmologic visit	$0		All charges above $30	
• Optometric visit	$0		All charges above $30	

Pediatric Benefits	Your payment			
Pediatric Benefits are available through the end of the month in which the Member turns 19.	**When using a Participating Provider[3]**	**CYD[2] applies**	**When using a Non-Participating Provider[4]**	**CYD[2] applies**
Contact lens fitting and evaluation *When you choose contact lenses instead of eyeglasses, one per Member every 12 months by a Participating Provider if administered at the same time as the comprehensive exam. There is a maximum of two follow up visits.*				
• Standard lenses	$0		Not covered	
• Non-standard lenses	All charges above $60		Not covered	
Eyewear/materials *One eyeglass frame and eyeglass lenses, or contact lenses instead of eyeglasses, up to the Benefit per Calendar Year. Any exceptions are noted below.*				
• Contact lenses				
Non-elective (Medically Necessary) - hard or soft	$0		All charges above $225	
Up to two pairs per eye per Calendar Year.				
Elective (cosmetic/convenience)				
Standard and non-standard, hard	$0		All charges above $75	
Up to a 3 month supply for each eye per Calendar Year based on lenses selected.				
Standard and non-standard, soft	$0		All charges above $75	
Up to a 6 month supply for each eye per Calendar Year based on lenses selected.				
• Eyeglass frames				
Collection frames	$0		All charges above $40	
Non-collection frames	All charges above $150		All charges above $40	
• Eyeglass lenses				
Lenses include choice of glass or plastic lenses, all lens powers (single vision, bifocal, trifocal, lenticular), fashion or gradient tint, scratch coating, oversized, and glass-grey #3 prescription sunglasses.				
Single vision	$0		All charges above $25	
Lined bifocal	$0		All charges above $35	
Lined trifocal	$0		All charges above $45	

Pediatric Benefits	Your payment			
Pediatric Benefits are available through the end of the month in which the Member turns 19.	**When using a Participating Provider[3]**	**CYD[2] applies**	**When using a Non-Participating Provider[4]**	**CYD[2] applies**
Lenticular	$0		All charges above $45	
Optional eyeglass lenses and treatments				
• Ultraviolet protective coating (standard only)	$0		Not covered	
• Polycarbonate lenses	$0		Not covered	
• Standard progressive lenses	$55		Not covered	
• Premium progressive lenses	$95		Not covered	
• Anti-reflective lens coating (standard only)	$35		Not covered	
• Photochromic - glass lenses	$25		Not covered	
• Photochromic - plastic lenses	$25		Not covered	
• High index lenses	$30		Not covered	
• Polarized lenses	$45		Not covered	
Low vision testing and equipment				
• Comprehensive low vision exam *Once every 5 Calendar Years.*	35%		Not covered	
• Low vision devices *One aid per Calendar Year.*	35%		Not covered	

Prior Authorization

The following are some frequently-utilized Benefits that require prior authorization:

- Advanced imaging services
- Outpatient mental health services, except office visits and office-based opioid treatment
- Inpatient facility services
- Pediatric vision non-elective contact lenses and low vision testing and equipment
- Hospice program services
- Some prescription Drugs (see blueshieldca.com/pharmacy)

Please review the Evidence of Coverage for more about Benefits that require prior authorization.

Notes

1 Evidence of Coverage (EOC):

The Evidence of Coverage (EOC) describes the Benefits, limitations, and exclusions that apply to coverage under this Plan. Please review the EOC for more details of coverage outlined in this Summary of Benefits. You can request a copy of the EOC at any time.

Capitalized terms are defined in the EOC. Refer to the EOC for an explanation of the terms used in this Summary of Benefits.

2 Calendar Year Deductible (CYD):

Calendar Year Deductible explained. A Calendar Year Deductible is the amount you pay each Calendar Year before Blue Shield pays for Covered Services under the Plan.

If this Plan has any Calendar Year Deductible(s), Covered Services subject to that Deductible are identified with a check mark (✔) in the Benefits chart above.

Covered Services not subject to the Calendar Year medical Deductible. Some Covered Services received from Participating Providers are paid by Blue Shield before you meet any Calendar Year medical Deductible. These Covered Services do not have a check mark (✔) next to them in the "CYD applies" column in the Benefits chart above.

This Plan has a separate medical Deductible and pharmacy Deductible.

This Plan has a Participating Provider Calendar Year Deductible as well as a combined Participating Provider and Non-Participating Provider Calendar Year Deductible. This means that any amounts you pay towards your Participating Provider Calendar Year Deductible also count towards your combined Participating and Non-Participating Provider Calendar Year Deductible.

Family coverage has an individual Deductible within the Family Deductible. This means that the Deductible will be met for an individual with Family coverage who meets the individual Deductible prior to the Family meeting the Family Deductible within a Calendar Year. Any amount you have paid toward the individual Deductible will be applied to both the individual Deductible and the Family Deductible. Once the individual Deductible or Family Deductible is reached, cost sharing applies until the Out-of-Pocket Maximum is reached.

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3 Using Participating Providers:

Participating Providers have a contract to provide health care services to Members. When you receive Covered Services from a Participating Provider, you are only responsible for the Copayment or Coinsurance, once any Calendar Year Deductible has been met.

Teladoc. Teladoc mental health and substance use disorder consultations are provided through Teladoc. These services are not administered by Blue Shield's Mental Health Service Administrator (MHSA).

"Allowable Amount" is defined in the EOC. In addition:

- Coinsurance is calculated from the Allowable Amount.

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4 Using Non-Participating Providers:

Non-Participating Providers do not have a contract to provide health care services to Members. When you receive Covered Services from a Non-Participating Provider, you are responsible for:

- the Copayment or Coinsurance (once any Calendar Year Deductible has been met), and
- any charges above the Allowable Amount.

"Allowable Amount" is defined in the EOC. In addition:

- Coinsurance is calculated from the Allowable Amount, which is subject to any stated Benefit maximum.
- Charges above the Allowable Amount do not count towards the Out-of-Pocket Maximum, and are your responsibility for payment to the provider. This out-of-pocket expense can be significant.

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5 Calendar Year Out-of-Pocket Maximum (OOPM):

Calendar Year Out-of-Pocket Maximum explained. The Out-of-Pocket Maximum is the most you are required to pay for Covered Services in a Calendar Year. Once you reach your Out-of-Pocket Maximum, Blue Shield will pay 100% of the Allowable Amount for Covered Services for the rest of the Calendar Year.

Your payment after you reach the Calendar Year OOPM. You will continue to pay all charges for the following Covered Services after the Calendar Year Out-of-Pocket Maximum is met:

- dialysis center Benefits: dialysis services from a Non-Participating Provider.
- charges for services that are not covered and charges above the Allowable Amount.

Any Deductibles count towards the OOPM. Any amounts you pay that count towards the medical or pharmacy Calendar Year Deductible also count towards the Calendar Year Out-of-Pocket Maximum.

This Plan has a Participating Provider OOPM as well as a combined Participating Provider and Non-Participating Provider OOPM. This means that any amounts you pay towards your Participating Provider OOPM also count towards your combined Participating and Non-Participating Provider OOPM.

Family coverage has an individual OOPM within the Family OOPM. This means that the OOPM will be met for an individual with Family coverage who meets the individual OOPM prior to the Family meeting the Family OOPM within a Calendar Year. Any amount you have paid toward the individual OOPM will be applied to both the individual OOPM and the Family OOPM, except for Out-of-Network pediatric dental services. Cost sharing payments for pediatric dental services made by each individual child for Out-of-Network Covered Services do not accumulate to the Family Out-of-Pocket Maximum.

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6 Separate Member Payments When Multiple Covered Services are Received:

Each time you receive multiple Covered Services, you might have separate payments (Copayment or Coinsurance) for each service. When this happens, you may be responsible for multiple Copayments or Coinsurance. For example, you may owe an office visit payment in addition to an allergy serum payment when you visit the doctor for an allergy shot.

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7 Preventive Health Services:

If you only receive Preventive Health Services during a Physician office visit, there is no Copayment or Coinsurance for the visit. If you receive both Preventive Health Services and other Covered Services during the Physician office visit, you may have a Copayment or Coinsurance for the visit.

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8 Outpatient Prescription Drug Coverage:

Medicare Part D-creditable coverage-

This Plan's prescription drug coverage is on average equivalent to or better than the standard benefit set by the federal government for Medicare Part D (also called creditable coverage). Because this plan's prescription drug coverage is creditable, you do not have to enroll in Medicare Part D while you maintain this coverage; however, you should be aware that if you do not enroll in Medicare Part D within 63 days following termination of this coverage, you could be subject to Medicare Part D premium penalties.

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9 Outpatient Prescription Drug Coverage:

Brand Drug coverage when a Generic or Biosimilar Drug is available. If you, the Physician, or Health Care Provider, select a Brand Drug when a Generic Drug equivalent or Biosimilar Drug is available, you are responsible for the difference between the cost to Blue Shield for the Brand Drug and its Generic Drug equivalent or Biosimilar Drug plus the applicable tier Copayment or Coinsurance of the Brand Drug. This difference in cost will not count towards any Calendar Year pharmacy Deductible, medical Deductible, or the Calendar Year Out-of-Pocket Maximum.

See the Obtaining outpatient prescription Drugs at a Participating Pharmacy section of the EOC for more information about how a brand contraceptive may be covered without a Copayment or Coinsurance.

Request for Medical Necessity Review. If you or your Physician believes a Brand Drug is Medically Necessary, either person may request a Medical Necessity Review. If approved, the Brand Drug will be covered at the applicable Drug tier Copayment or Coinsurance.

Short-Cycle Specialty Drug program. This program allows initial prescriptions for select Specialty Drugs to be filled for a 15-day supply with your approval. When this occurs, the Copayment or Coinsurance will be pro-rated.

Specialty Drugs. Specialty Drugs are only available from a Network Specialty Pharmacy, up to a 30-day supply.

Oral Anticancer Drugs. You pay up to $250 for oral Anticancer Drugs from a Participating Pharmacy, up to a 30-day supply. Oral Anticancer Drugs from a Participating Pharmacy are not subject to any Deductible.

Retail pharmacy. You may receive up to a 90-day supply for maintenance Drugs at a Participating Pharmacy when you pay the applicable Copayment or Coinsurance for each 30-day supply.

Mail service Drugs. You pay the applicable 30-day retail pharmacy Copayment or Coinsurance for a 30-day supply or less from the mail service pharmacy.

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10 Pediatric Dental Coverage:

Pediatric dental Benefits are provided through Blue Shield's Dental Plan Administrator (DPA).

Orthodontic Covered Services. The Copayment or Coinsurance for Medically Necessary orthodontic Covered Services applies to a course of treatment even if it extends beyond a Calendar Year. This applies as long as the Member remains enrolled in the Plan.

This plan is compliant with requirements of the pediatric dental EHB benchmark plan, including coverage of services in circumstances of Medical Necessity as defined in the Early Periodic Screening, Diagnosis and Treatment (EPSDT) benefit.

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11 Pediatric Vision Coverage:

Pediatric vision Benefits are provided through Blue Shield's Vision Plan Administrator (VPA).

Covered Services from Non-Participating Providers. There is no Copayment or Coinsurance up to the listed Allowable Amount. You pay all charges above the Allowable Amount.

Coverage for frames. If frames are selected that are more expensive than the Allowable Amount established for frames under this Benefit, you pay the difference between the Allowable Amount and the provider's charge.

"Collection frames" are covered with no Member payment from Participating Providers. Retail chain Participating Providers do not usually display the frames as "collection," but a comparable selection of frames is maintained.

"Non-collection frames" are covered up to an Allowable Amount of $150; however, if the Participating Provider uses:

- wholesale pricing, then the Allowable Amount will be up to $103.64.

Participating Providers using wholesale pricing are identified in the provider directory.

Plans may be modified to ensure compliance with State and Federal requirements.

EXHIBIT 50

to

Section §999.5(d)(5)(E)

blue of california

Summary of Benefits

Group Plan
PPO Plan

Gold Tandem PPO 0/35 OffEx

This Summary of Benefits shows the amount you will pay for Covered Services under this Blue Shield of California Plan. It is only a summary and it is included as part of the Evidence of Coverage (EOC).[1] Please read both documents carefully for details.

Medical Provider Network: **Tandem PPO Network**

This Plan uses a specific network of Health Care Providers, called the Tandem PPO provider network. Providers in this network are called Participating Providers. You pay less for Covered Services when you use a Participating Provider than when you use a Non-Participating Provider. You can find Participating Providers in this network at blueshieldca.com.

Pharmacy Network: **Rx Spectrum**

Drug Formulary: **Standard Formulary**

Calendar Year Deductibles (CYD)[2]

A Calendar Year Deductible (CYD) is the amount a Member pays each Calendar Year before Blue Shield pays for Covered Services under the Plan.

		When using a Participating Provider[3]	When using a Non-Participating Provider[4]
Calendar Year medical Deductible	*Individual coverage*	$0	$1,000
	Family coverage	$0: individual	$1,000: individual
		$0: Family	$2,000: Family
Calendar Year pharmacy Deductible	*Individual coverage*	$0	Not covered
	Family coverage	$0: individual	Not covered
		$0: Family	

Calendar Year Out-of-Pocket Maximum[5]

An Out-of-Pocket Maximum is the most a Member will pay for Covered Services each Calendar Year. Any exceptions are listed in the Notes section at the end of this Summary of Benefits.

	When using a Participating Provider[3]	When using any combination of Participating[3] or Non-Participating[4] Providers
Individual coverage	$7,900	$15,800
Family coverage	$7,900: individual	$15,800: individual
	$15,800: Family	$31,600: Family

No Annual or Lifetime Dollar Limit

Under this Plan there is no annual or lifetime dollar limit on the amount Blue Shield will pay for Covered Services.

Blue Shield of California is an independent member of the Blue Shield Association

Benefits[6]	Your payment			
	When using a Participating Provider[3]	CYD[2] applies	When using a Non-Participating Provider[4]	CYD[2] applies
Preventive Health Services[7]				
Preventive Health Services	$0		Not covered	
California Prenatal Screening Program	$0		$0	
Physician services				
Primary care office visit	$35/visit		40%	✔
Specialist care office visit	$60/visit		40%	✔
Physician home visit	$35/visit		40%	✔
Physician or surgeon services in an Outpatient Facility	30%		40%	✔
Physician or surgeon services in an inpatient facility	30%		40%	✔
Other professional services				
Other practitioner office visit *Includes nurse practitioners, physician assistants, therapists, and podiatrists.*	$35/visit		40%	✔
Acupuncture services	$25/visit		40%	✔
Chiropractic services *Up to 20 visits per Member, per Calendar Year.*	$10/visit		50%	✔
Teladoc consultation	$0		Not covered	
Family planning • Counseling, consulting, and education	$0		Not covered	
• Injectable contraceptive, diaphragm fitting, intrauterine device (IUD), implantable contraceptive, and related procedure.	$0		Not covered	
• Tubal ligation	$0		Not covered	
• Vasectomy	$0		Not covered	
Medical nutrition therapy, not related to diabetes	30%		40%	✔
Pregnancy and maternity care				
Physician office visits: prenatal and initial postnatal	$0		40%	✔
Abortion and abortion-related services	$0		$0	
Emergency Services				
Emergency room services *If admitted to the Hospital, this payment for emergency room services does not apply. Instead, you pay the Participating Provider payment under Inpatient facility services/ Hospital services and stay.*	$250/visit plus 30%		$250/visit plus 30%	
Emergency room Physician services	30%		30%	

Benefits[6]	Your payment			
	When using a Participating Provider[3]	CYD[2] applies	When using a Non-Participating Provider[4]	CYD[2] applies
Urgent care center services	$35/visit		40%	✔
Ambulance services *This payment is for emergency or authorized transport.*	30%		30%	
Outpatient Facility services				
Ambulatory Surgery Center	30%		40% Subject to a Benefit maximum of $350/day	✔
Outpatient Department of a Hospital: surgery	$150/surgery plus 30%		40% Subject to a Benefit maximum of $350/day	✔
Outpatient Department of a Hospital: treatment of illness or injury, radiation therapy, chemotherapy, and necessary supplies	30%		40% Subject to a Benefit maximum of $350/day	✔
Inpatient facility services				
Hospital services and stay	30%		40% Subject to a Benefit maximum of $2,000/day	✔
Transplant services *This payment is for all covered transplants except tissue and kidney. For tissue and kidney transplant services, the payment for Inpatient facility services/ Hospital services and stay applies.*				
• Special transplant facility inpatient services	30%		Not covered	
• Physician inpatient services	30%		Not covered	
Bariatric surgery services, designated California counties *This payment is for bariatric surgery services for residents of designated California counties. For bariatric surgery services for residents of non-designated California counties, the payments for Inpatient facility services/ Hospital services and stay and Physician inpatient and surgery services apply for inpatient services; or, if provided on an outpatient basis, the Outpatient Facility services and outpatient Physician services payments apply.*				
Inpatient facility services	30%		Not covered	
Outpatient Facility services	$150/surgery plus 30%		Not covered	
Physician services	30%		Not covered	

Benefits[6]	Your payment			
	When using a Participating Provider[3]	CYD[2] applies	When using a Non-Participating Provider[4]	CYD[2] applies
Diagnostic x-ray, imaging, pathology, and laboratory services				
This payment is for Covered Services that are diagnostic, non-Preventive Health Services, and diagnostic radiological procedures. For the payments for Covered Services that are considered Preventive Health Services, see Preventive Health Services.				
Laboratory and pathology services *Includes diagnostic Papanicolaou (Pap) test.*				
• Laboratory center	$35/visit		40%	✔
• Outpatient Department of a Hospital	30%		40% Subject to a Benefit maximum of $350/day	✔
Basic imaging services *Includes plain film X-rays, ultrasounds, and diagnostic mammography.*				
• Outpatient radiology center	$50/visit		40%	✔
• Outpatient Department of a Hospital	$100/visit		40% Subject to a Benefit maximum of $350/day	✔
Other outpatient non-invasive diagnostic testing *Testing to diagnose illness or injury such as vestibular function tests, EKG, cardiac monitoring, non-invasive vascular studies, sleep medicine testing, muscle and range of motion tests, EEG, and EMG.*				
• Office location	$50/visit		40%	✔
• Outpatient Department of a Hospital	$100/visit		40% Subject to a Benefit maximum of $350/day	✔
Advanced imaging services *Includes diagnostic radiological and nuclear imaging such as CT scans, MRIs, MRAs, and PET scans.*				
• Outpatient radiology center	30%		40%	✔
• Outpatient Department of a Hospital	$100/visit plus 30%		40% Subject to a Benefit maximum of $350/day	✔

Benefits[6]	Your payment			
	When using a Participating Provider[3]	CYD[2] applies	When using a Non-Participating Provider[4]	CYD[2] applies
Rehabilitative and Habilitative Services *Includes Physical Therapy, Occupational Therapy, Respiratory Therapy, and Speech Therapy services. There is no visit limit for Rehabilitative or Habilitative Services.*				
Office location	30%		40%	✔
Outpatient Department of a Hospital	30%		40% Subject to a Benefit maximum of $350/day	✔
Durable medical equipment (DME)				
DME	50%		Not covered	
Breast pump	$0		Not covered	
Orthotic equipment and devices	30%		Not covered	
Prosthetic equipment and devices	30%		Not covered	
Home health care services *Up to 100 visits per Member, per Calendar Year, by a home health care agency. All visits count towards the limit, including visits during any applicable Deductible period. Includes home visits by a nurse, Home Health Aide, medical social worker, physical therapist, speech therapist, or occupational therapist, and medical supplies.*	30%		Not covered	
Home infusion and home injectable therapy services				
Home infusion agency services *Includes home infusion drugs, medical supplies, and visits by a nurse.*	$45/visit		Not covered	
Hemophilia home infusion services *Includes blood factor products.*	$45/visit		Not covered	
Skilled Nursing Facility (SNF) services *Up to 100 days per Member, per benefit period, except when provided as part of a Hospice program. All days count towards the limit, including days during any applicable Deductible period and days in different SNFs during the Calendar Year.*				
Freestanding SNF	30%		40%	✔
Hospital-based SNF	30%		40% Subject to a Benefit maximum of $2,000/day	✔

Benefits[6]	Your payment			
	When using a Participating Provider[3]	CYD[2] applies	When using a Non-Participating Provider[4]	CYD[2] applies
Hospice program services *Includes pre-Hospice consultation, routine home care, 24-hour continuous home care, short-term inpatient care for pain and symptom management, and inpatient respite care.*	$0		Not covered	
Other services and supplies				
Diabetes care services • Devices, equipment, and supplies	50%		Not covered	
• Self-management training	$0		40%	✔
• Medical nutrition therapy	$0		40%	✔
Dialysis services	30%		40% Subject to a Benefit maximum of $350/day	
PKU product formulas and special food products	30%		30%	
Allergy serum billed separately from an office visit	30%		40%	✔

Mental Health and Substance Use Disorder Benefits	Your payment			
Mental health and substance use disorder Benefits are provided through Blue Shield's Mental Health Service Administrator (MHSA).	When using a MHSA Participating Provider[3]	CYD[2] applies	When using a MHSA Non-Participating Provider[4]	CYD[2] applies
Outpatient services				
Office visit, including Physician office visit	$35/visit		40%	✔
Teladoc mental health	$0		Not covered	
Other outpatient services, including intensive outpatient care, electroconvulsive therapy, transcranial magnetic stimulation, Behavioral Health Treatment for pervasive developmental disorder or autism in an office setting, home, or other non-institutional facility setting, and office-based opioid treatment	30%		40%	✔
Partial Hospitalization Program	30%		40% Subject to a Benefit maximum of $350/day	✔
Psychological Testing	30%		40%	✔
Inpatient services				
Physician inpatient services	30%		40%	✔

Mental Health and Substance Use Disorder Benefits	Your payment			
Mental health and substance use disorder Benefits are provided through Blue Shield's Mental Health Service Administrator (MHSA).	**When using a MHSA Participating Provider[3]**	**CYD[2] applies**	**When using a MHSA Non-Participating Provider[4]**	**CYD[2] applies**
Hospital services	30%		40% Subject to a Benefit maximum of $2,000/day	✔
Residential Care	30%		40% Subject to a Benefit maximum of $2,000/day	✔

Prescription Drug Benefits[8,9]	Your payment				
	When using a Participating Pharmacy[3]		**CYD[2] applies**	**When using a Non-Participating Pharmacy[4]**	**CYD[2] applies**
	Level A	**Level B**			
Retail pharmacy prescription Drugs *Per prescription, up to a 30-day supply.*					
Contraceptive Drugs and devices	$0	$0		Not covered	
Tier 1 Drugs	$25/prescription	$30/prescription		Not covered	
Tier 2 Drugs	$50/prescription	$70/prescription		Not covered	
Tier 3 Drugs	$70/prescription	$100/prescription		Not covered	
Tier 4 Drugs	30% up to $250/prescription	30% up to $250/prescription		Not covered	
Retail pharmacy prescription Drugs *Per prescription, for a 90-day supply.*					
Contraceptive Drugs and devices	$0	$0		Not covered	
Tier 1 Drugs	$75/prescription	$90/prescription		Not covered	
Tier 2 Drugs	$150/prescription	$210/prescription		Not covered	
Tier 3 Drugs	$210/prescription	$300/prescription		Not covered	
Tier 4 Drugs	30% up to $750/prescription	30% up to $750/prescription		Not covered	
Mail service pharmacy prescription Drugs *Per prescription, for a 31-90-day supply.*					
Contraceptive Drugs and devices	$0			Not covered	

Prescription Drug Benefits[8,9]	Your payment			
	When using a Participating Pharmacy[3]	CYD[2] applies	When using a Non-Participating Pharmacy[4]	CYD[2] applies
Tier 1 Drugs	$50/prescription		Not covered	
Tier 2 Drugs	$100/prescription		Not covered	
Tier 3 Drugs	$140/prescription		Not covered	
Tier 4 Drugs	30% up to $500/prescription		Not covered	

Pediatric Benefits	Your payment			
Pediatric Benefits are available through the end of the month in which the Member turns 19.	When using a Participating Dentist[3]	CYD[2] applies	When using a Non-Participating Dentist[4]	CYD[2] applies
Pediatric dental[10]				
Diagnostic and preventive services				
• Oral exam	$0		20%	
• Preventive – cleaning	$0		20%	
• Preventive – x-ray	$0		20%	
• Sealants per tooth	$0		20%	
• Topical fluoride application	$0		20%	
• Space maintainers - fixed	$0		20%	
Basic services				
• Restorative procedures	20%		30%	
• Periodontal maintenance	20%		30%	
• Adjunctive general services	20%		30%	
Major services				
• Oral surgery	50%		50%	
• Endodontics	50%		50%	
• Periodontics (other than maintenance)	50%		50%	
• Crowns and casts	50%		50%	
• Prosthodontics	50%		50%	
Orthodontics (Medically Necessary)	50%		50%	

Pediatric Benefits	**Your payment**			
Pediatric Benefits are available through the end of the month in which the Member turns 19.	**When using a Participating Provider[3]**	**CYD[2] applies**	**When using a Non-Participating Provider[4]**	**CYD[2] applies**
Pediatric vision[11]				
Comprehensive eye examination *One exam per Calendar Year.*				
• Ophthalmologic visit	$0		All charges above $30	
• Optometric visit	$0		All charges above $30	
Contact lens fitting and evaluation *When you choose contact lenses instead of eyeglasses, one per Member every 12 months by a Participating Provider if administered at the same time as the comprehensive exam. There is a maximum of two follow up visits.*				
• Standard lenses	$0		Not covered	
• Non-standard lenses	All charges above $60		Not covered	
Eyewear/materials *One eyeglass frame and eyeglass lenses, or contact lenses instead of eyeglasses, up to the Benefit per Calendar Year. Any exceptions are noted below.*				
• Contact lenses				
Non-elective (Medically Necessary) - hard or soft	$0		All charges above $225	
Up to two pairs per eye per Calendar Year.				
Elective (cosmetic/convenience)				
Standard and non-standard, hard	$0		All charges above $75	
Up to a 3 month supply for each eye per Calendar Year based on lenses selected.				
Standard and non-standard, soft	$0		All charges above $75	
Up to a 6 month supply for each eye per Calendar Year based on lenses selected.				
• Eyeglass frames				
Collection frames	$0		All charges above $40	
Non-collection frames	All charges above $150		All charges above $40	

Pediatric Benefits	Your payment			
Pediatric Benefits are available through the end of the month in which the Member turns 19.	**When using a Participating Provider[3]**	**CYD[2] applies**	**When using a Non-Participating Provider[4]**	**CYD[2] applies**
• Eyeglass lenses *Lenses include choice of glass or plastic lenses, all lens powers (single vision, bifocal, trifocal, lenticular), fashion or gradient tint, scratch coating, oversized, and glass-grey #3 prescription sunglasses.*				
Single vision	$0		All charges above $25	
Lined bifocal	$0		All charges above $35	
Lined trifocal	$0		All charges above $45	
Lenticular	$0		All charges above $45	
Optional eyeglass lenses and treatments				
• Ultraviolet protective coating (standard only)	$0		Not covered	
• Polycarbonate lenses	$0		Not covered	
• Standard progressive lenses	$55		Not covered	
• Premium progressive lenses	$95		Not covered	
• Anti-reflective lens coating (standard only)	$35		Not covered	
• Photochromic - glass lenses	$25		Not covered	
• Photochromic - plastic lenses	$25		Not covered	
• High index lenses	$30		Not covered	
• Polarized lenses	$45		Not covered	
Low vision testing and equipment				
• Comprehensive low vision exam *Once every 5 Calendar Years.*	35%		Not covered	
• Low vision devices *One aid per Calendar Year.*	35%		Not covered	

Prior Authorization

The following are some frequently-utilized Benefits that require prior authorization:

- Advanced imaging services
- Outpatient mental health services, except office visits and office-based opioid treatment
- Inpatient facility services
- Pediatric vision non-elective contact lenses and low vision testing and equipment
- Hospice program services
- Some prescription Drugs (see blueshieldca.com/pharmacy)

Please review the Evidence of Coverage for more about Benefits that require prior authorization.

Notes

1 Evidence of Coverage (EOC):

The Evidence of Coverage (EOC) describes the Benefits, limitations, and exclusions that apply to coverage under this Plan. Please review the EOC for more details of coverage outlined in this Summary of Benefits. You can request a copy of the EOC at any time.

Capitalized terms are defined in the EOC. Refer to the EOC for an explanation of the terms used in this Summary of Benefits.

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2 Calendar Year Deductible (CYD):

Calendar Year Deductible explained. A Calendar Year Deductible is the amount you pay each Calendar Year before Blue Shield pays for Covered Services under the Plan.

If this Plan has any Calendar Year Deductible(s), Covered Services subject to that Deductible are identified with a check mark (✓) in the Benefits chart above.

Family coverage has an individual Deductible within the Family Deductible. This means that the Deductible will be met for an individual with Family coverage who meets the individual Deductible prior to the Family meeting the Family Deductible within a Calendar Year. Any amount you have paid toward the individual Deductible will be applied to both the individual Deductible and the Family Deductible. Once the individual Deductible or Family Deductible is reached, cost sharing applies until the Out-of-Pocket Maximum is reached.

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3 Using Participating Providers:

Participating Providers have a contract to provide health care services to Members. When you receive Covered Services from a Participating Provider, you are only responsible for the Copayment or Coinsurance, once any Calendar Year Deductible has been met.

Participating Pharmacies. Blue Shield has two participation levels for retail pharmacies; Level A and Level B. You can go to any Level A or Level B pharmacy to obtain covered Drugs.

Teladoc. Teladoc mental health and substance use disorder consultations are provided through Teladoc. These services are not administered by Blue Shield's Mental Health Service Administrator (MHSA).

"Allowable Amount" is defined in the EOC. In addition:

- Coinsurance is calculated from the Allowable Amount.

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4 Using Non-Participating Providers:

Non-Participating Providers do not have a contract to provide health care services to Members. When you receive Covered Services from a Non-Participating Provider, you are responsible for:

- the Copayment or Coinsurance (once any Calendar Year Deductible has been met), and
- any charges above the Allowable Amount.

"Allowable Amount" is defined in the EOC. In addition:

- Coinsurance is calculated from the Allowable Amount, which is subject to any stated Benefit maximum.
- Charges above the Allowable Amount do not count towards the Out-of-Pocket Maximum, and are your responsibility for payment to the provider. This out-of-pocket expense can be significant.

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5 Calendar Year Out-of-Pocket Maximum (OOPM):

Calendar Year Out-of-Pocket Maximum explained. The Out-of-Pocket Maximum is the most you are required to pay for Covered Services in a Calendar Year. Once you reach your Out-of-Pocket Maximum, Blue Shield will pay 100% of the Allowable Amount for Covered Services for the rest of the Calendar Year.

Your payment after you reach the Calendar Year OOPM. You will continue to pay all charges for the following Covered Services after the Calendar Year Out-of-Pocket Maximum is met:

- dialysis center Benefits: dialysis services from a Non-Participating Provider.
- charges for services that are not covered and charges above the Allowable Amount.

This Plan has a Participating Provider OOPM as well as a combined Participating Provider and Non-Participating Provider OOPM. This means that any amounts you pay towards your Participating Provider OOPM also count towards your combined Participating and Non-Participating Provider OOPM.

Family coverage has an individual OOPM within the Family OOPM. This means that the OOPM will be met for an individual with Family coverage who meets the individual OOPM prior to the Family meeting the Family OOPM within a Calendar Year. Any amount you have paid toward the individual OOPM will be applied to both the individual OOPM and the Family OOPM, except for Out-of-Network pediatric dental services. Cost sharing payments for pediatric dental services made by each individual child for Out-of-Network Covered Services do not accumulate to the Family Out-of-Pocket Maximum.

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6 Separate Member Payments When Multiple Covered Services are Received:

Each time you receive multiple Covered Services, you might have separate payments (Copayment or Coinsurance) for each service. When this happens, you may be responsible for multiple Copayments or Coinsurance. For example, you may owe an office visit payment in addition to an allergy serum payment when you visit the doctor for an allergy shot.

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7 Preventive Health Services:

If you only receive Preventive Health Services during a Physician office visit, there is no Copayment or Coinsurance for the visit. If you receive both Preventive Health Services and other Covered Services during the Physician office visit, you may have a Copayment or Coinsurance for the visit.

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8 Outpatient Prescription Drug Coverage:

Medicare Part D-creditable coverage-

This Plan's prescription drug coverage is on average equivalent to or better than the standard benefit set by the federal government for Medicare Part D (also called creditable coverage). Because this plan's prescription drug coverage is creditable, you do not have to enroll in Medicare Part D while you maintain this coverage; however, you should be aware that if you do not enroll in Medicare Part D within 63 days following termination of this coverage, you could be subject to Medicare Part D premium penalties.

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9 Outpatient Prescription Drug Coverage:

Brand Drug coverage when a Generic or Biosimilar Drug is available. If you, the Physician, or Health Care Provider, select a Brand Drug when a Generic Drug equivalent or Biosimilar Drug is available, you are responsible for the difference between the cost to Blue Shield for the Brand Drug and its Generic Drug equivalent or Biosimilar Drug plus the applicable tier Copayment or Coinsurance of the Brand Drug. This difference in cost will not count towards any Calendar Year pharmacy Deductible, medical Deductible, or the Calendar Year Out-of-Pocket Maximum.

See the Obtaining outpatient prescription Drugs at a Participating Pharmacy section of the EOC for more information about how a brand contraceptive may be covered without a Copayment or Coinsurance.

Request for Medical Necessity Review. If you or your Physician believes a Brand Drug is Medically Necessary, either person may request a Medical Necessity Review. If approved, the Brand Drug will be covered at the applicable Drug tier Copayment or Coinsurance.

Short-Cycle Specialty Drug program. This program allows initial prescriptions for select Specialty Drugs to be filled for a 15-day supply with your approval. When this occurs, the Copayment or Coinsurance will be pro-rated.

Specialty Drugs. Specialty Drugs are only available from a Network Specialty Pharmacy, up to a 30-day supply.

Oral Anticancer Drugs. You pay up to $250 for oral Anticancer Drugs from a Participating Pharmacy, up to a 30-day supply. Oral Anticancer Drugs from a Participating Pharmacy are not subject to any Deductible.

Retail pharmacy. You may receive up to a 90-day supply for maintenance Drugs at a Participating Pharmacy when you pay the applicable Copayment or Coinsurance for each 30-day supply.

Mail service Drugs. You pay the applicable 30-day retail pharmacy Copayment or Coinsurance for a 30-day supply or less from the mail service pharmacy.

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10 Pediatric Dental Coverage:

Pediatric dental Benefits are provided through Blue Shield's Dental Plan Administrator (DPA).

Orthodontic Covered Services. The Copayment or Coinsurance for Medically Necessary orthodontic Covered Services applies to a course of treatment even if it extends beyond a Calendar Year. This applies as long as the Member remains enrolled in the Plan.

This plan is compliant with requirements of the pediatric dental EHB benchmark plan, including coverage of services in circumstances of Medical Necessity as defined in the Early Periodic Screening, Diagnosis and Treatment (EPSDT) benefit.

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11 Pediatric Vision Coverage:

Pediatric vision Benefits are provided through Blue Shield's Vision Plan Administrator (VPA).

Covered Services from Non-Participating Providers. There is no Copayment or Coinsurance up to the listed Allowable Amount. You pay all charges above the Allowable Amount.

Coverage for frames. If frames are selected that are more expensive than the Allowable Amount established for frames under this Benefit, you pay the difference between the Allowable Amount and the provider's charge.

"Collection frames" are covered with no Member payment from Participating Providers. Retail chain Participating Providers do not usually display the frames as "collection," but a comparable selection of frames is maintained.

"Non-collection frames" are covered up to an Allowable Amount of $150; however, if the Participating Provider uses:

- wholesale pricing, then the Allowable Amount will be up to $103.64.

Participating Providers using wholesale pricing are identified in the provider directory.

Plans may be modified to ensure compliance with State and Federal requirements.

EXHIBIT 51

to

Section §999.5(d)(5)(E)

blue of california

Summary of Benefits

Group Plan
PPO Plan

Gold Full PPO 0/35 OffEx

This Summary of Benefits shows the amount you will pay for Covered Services under this Blue Shield of California Plan. It is only a summary and it is included as part of the Evidence of Coverage (EOC).[1] Please read both documents carefully for details.

Medical Provider Network:	**Full PPO Network**

This Plan uses a specific network of Health Care Providers, called the Full PPO provider network. Providers in this network are called Participating Providers. You pay less for Covered Services when you use a Participating Provider than when you use a Non-Participating Provider. You can find Participating Providers in this network at blueshieldca.com.

Pharmacy Network:	**Rx Ultra**
Drug Formulary:	**Standard Formulary**

Calendar Year Deductibles (CYD)[2]

A Calendar Year Deductible (CYD) is the amount a Member pays each Calendar Year before Blue Shield pays for Covered Services under the Plan.

		When using a Participating Provider[3]	When using a Non-Participating Provider[4]
Calendar Year medical Deductible	*Individual coverage*	$0	$1,000
	Family coverage	$0: individual	$1,000: individual
		$0: Family	$2,000: Family
Calendar Year pharmacy Deductible	*Individual coverage*	$0	Not covered
	Family coverage	$0: individual	Not covered
		$0: Family	

Calendar Year Out-of-Pocket Maximum[5]

An Out-of-Pocket Maximum is the most a Member will pay for Covered Services each Calendar Year. Any exceptions are listed in the Notes section at the end of this Summary of Benefits.

	When using a Participating Provider[3]	When using any combination of Participating[3] or Non-Participating[4] Providers
Individual coverage	$7,900	$15,800
Family coverage	$7,900: individual	$15,800: individual
	$15,800: Family	$31,600: Family

No Annual or Lifetime Dollar Limit

Under this Plan there is no annual or lifetime dollar limit on the amount Blue Shield will pay for Covered Services.

Blue Shield of California is an independent member of the Blue Shield Association

Benefits[6]	Your payment			
	When using a Participating Provider[3]	CYD[2] applies	When using a Non-Participating Provider[4]	CYD[2] applies
Preventive Health Services[7]				
Preventive Health Services	$0		Not covered	
California Prenatal Screening Program	$0		$0	
Physician services				
Primary care office visit	$35/visit		40%	✔
Specialist care office visit	$60/visit		40%	✔
Physician home visit	$35/visit		40%	✔
Physician or surgeon services in an Outpatient Facility	30%		40%	✔
Physician or surgeon services in an inpatient facility	30%		40%	✔
Other professional services				
Other practitioner office visit	$35/visit		40%	✔
Includes nurse practitioners, physician assistants, therapists, and podiatrists.				
Acupuncture services	$25/visit		40%	✔
Chiropractic services	$10/visit		50%	✔
Up to 20 visits per Member, per Calendar Year.				
Teladoc consultation	$0		Not covered	
Family planning				
• Counseling, consulting, and education	$0		Not covered	
• Injectable contraceptive, diaphragm fitting, intrauterine device (IUD), implantable contraceptive, and related procedure.	$0		Not covered	
• Tubal ligation	$0		Not covered	
• Vasectomy	$0		Not covered	
Medical nutrition therapy, not related to diabetes	30%		40%	✔
Pregnancy and maternity care				
Physician office visits: prenatal and initial postnatal	$0		40%	✔
Abortion and abortion-related services	$0		$0	
Emergency Services				
Emergency room services	$250/visit plus 30%		$250/visit plus 30%	
If admitted to the Hospital, this payment for emergency room services does not apply. Instead, you pay the Participating Provider payment under Inpatient facility services/ Hospital services and stay.				
Emergency room Physician services	30%		30%	

Benefits[6]	Your payment			
	When using a Participating Provider[3]	CYD[2] applies	When using a Non-Participating Provider[4]	CYD[2] applies
Urgent care center services	$35/visit		40%	✔
Ambulance services *This payment is for emergency or authorized transport.*	30%		30%	
Outpatient Facility services				
Ambulatory Surgery Center	30%		40% Subject to a Benefit maximum of $350/day	✔
Outpatient Department of a Hospital: surgery	$150/surgery plus 30%		40% Subject to a Benefit maximum of $350/day	✔
Outpatient Department of a Hospital: treatment of illness or injury, radiation therapy, chemotherapy, and necessary supplies	30%		40% Subject to a Benefit maximum of $350/day	✔
Inpatient facility services				
Hospital services and stay	30%		40% Subject to a Benefit maximum of $2,000/day	✔
Transplant services *This payment is for all covered transplants except tissue and kidney. For tissue and kidney transplant services, the payment for Inpatient facility services/ Hospital services and stay applies.*				
• Special transplant facility inpatient services	30%		Not covered	
• Physician inpatient services	30%		Not covered	
Bariatric surgery services, designated California counties *This payment is for bariatric surgery services for residents of designated California counties. For bariatric surgery services for residents of non-designated California counties, the payments for Inpatient facility services/ Hospital services and stay and Physician inpatient and surgery services apply for inpatient services; or, if provided on an outpatient basis, the Outpatient Facility services and outpatient Physician services payments apply.*				
Inpatient facility services	30%		Not covered	
Outpatient Facility services	$150/surgery plus 30%		Not covered	
Physician services	30%		Not covered	

Benefits[6]	Your payment			
	When using a Participating Provider[3]	CYD[2] applies	When using a Non-Participating Provider[4]	CYD[2] applies
Diagnostic x-ray, imaging, pathology, and laboratory services				
This payment is for Covered Services that are diagnostic, non-Preventive Health Services, and diagnostic radiological procedures. For the payments for Covered Services that are considered Preventive Health Services, see Preventive Health Services.				
Laboratory and pathology services *Includes diagnostic Papanicolaou (Pap) test.*				
• Laboratory center	$35/visit		40%	✔
• Outpatient Department of a Hospital	30%		40% Subject to a Benefit maximum of $350/day	✔
Basic imaging services *Includes plain film X-rays, ultrasounds, and diagnostic mammography.*				
• Outpatient radiology center	$50/visit		40%	✔
• Outpatient Department of a Hospital	$100/visit		40% Subject to a Benefit maximum of $350/day	✔
Other outpatient non-invasive diagnostic testing *Testing to diagnose illness or injury such as vestibular function tests, EKG, cardiac monitoring, non-invasive vascular studies, sleep medicine testing, muscle and range of motion tests, EEG, and EMG.*				
• Office location	$50/visit		40%	✔
• Outpatient Department of a Hospital	$100/visit		40% Subject to a Benefit maximum of $350/day	✔
Advanced imaging services *Includes diagnostic radiological and nuclear imaging such as CT scans, MRIs, MRAs, and PET scans.*				
• Outpatient radiology center	30%		40%	✔
• Outpatient Department of a Hospital	$100/visit plus 30%		40% Subject to a Benefit maximum of $350/day	✔

Benefits[6]	Your payment			
	When using a Participating Provider[3]	CYD[2] applies	When using a Non-Participating Provider[4]	CYD[2] applies
Rehabilitative and Habilitative Services *Includes Physical Therapy, Occupational Therapy, Respiratory Therapy, and Speech Therapy services. There is no visit limit for Rehabilitative or Habilitative Services.*				
Office location	30%		40%	✔
Outpatient Department of a Hospital	30%		40% Subject to a Benefit maximum of $350/day	✔
Durable medical equipment (DME)				
DME	50%		Not covered	
Breast pump	$0		Not covered	
Orthotic equipment and devices	30%		Not covered	
Prosthetic equipment and devices	30%		Not covered	
Home health care services *Up to 100 visits per Member, per Calendar Year, by a home health care agency. All visits count towards the limit, including visits during any applicable Deductible period. Includes home visits by a nurse, Home Health Aide, medical social worker, physical therapist, speech therapist, or occupational therapist, and medical supplies.*	30%		Not covered	
Home infusion and home injectable therapy services				
Home infusion agency services *Includes home infusion drugs, medical supplies, and visits by a nurse.*	$45/visit		Not covered	
Hemophilia home infusion services *Includes blood factor products.*	$45/visit		Not covered	
Skilled Nursing Facility (SNF) services *Up to 100 days per Member, per benefit period, except when provided as part of a Hospice program. All days count towards the limit, including days during any applicable Deductible period and days in different SNFs during the Calendar Year.*				
Freestanding SNF	30%		40%	✔
Hospital-based SNF	30%		40% Subject to a Benefit maximum of $2,000/day	✔

Benefits[6]	Your payment			
	When using a Participating Provider[3]	CYD[2] applies	When using a Non-Participating Provider[4]	CYD[2] applies
Hospice program services *Includes pre-Hospice consultation, routine home care, 24-hour continuous home care, short-term inpatient care for pain and symptom management, and inpatient respite care.*	$0		Not covered	
Other services and supplies				
Diabetes care services • Devices, equipment, and supplies	50%		Not covered	
• Self-management training	$0		40%	✔
• Medical nutrition therapy	$0		40%	✔
Dialysis services	30%		40% Subject to a Benefit maximum of $350/day	
PKU product formulas and special food products	30%		30%	
Allergy serum billed separately from an office visit	30%		40%	✔

Mental Health and Substance Use Disorder Benefits	Your payment			
Mental health and substance use disorder Benefits are provided through Blue Shield's Mental Health Service Administrator (MHSA).	When using a MHSA Participating Provider[3]	CYD[2] applies	When using a MHSA Non-Participating Provider[4]	CYD[2] applies
Outpatient services				
Office visit, including Physician office visit	$35/visit		40%	✔
Teladoc mental health	$0		Not covered	
Other outpatient services, including intensive outpatient care, electroconvulsive therapy, transcranial magnetic stimulation, Behavioral Health Treatment for pervasive developmental disorder or autism in an office setting, home, or other non-institutional facility setting, and office-based opioid treatment	30%		40%	✔
Partial Hospitalization Program	30%		40% Subject to a Benefit maximum of $350/day	✔
Psychological Testing	30%		40%	✔
Inpatient services				
Physician inpatient services	30%		40%	✔

Mental Health and Substance Use Disorder Benefits	Your payment			
Mental health and substance use disorder Benefits are provided through Blue Shield's Mental Health Service Administrator (MHSA).	**When using a MHSA Participating Provider[3]**	**CYD[2] applies**	**When using a MHSA Non-Participating Provider[4]**	**CYD[2] applies**
Hospital services	30%		40% Subject to a Benefit maximum of $2,000/day	✔
Residential Care	30%		40% Subject to a Benefit maximum of $2,000/day	✔

Prescription Drug Benefits[8,9]	Your payment			
	When using a Participating Pharmacy[3]	**CYD[2] applies**	**When using a Non-Participating Pharmacy[4]**	**CYD[2] applies**
Retail pharmacy prescription Drugs				
Per prescription, up to a 30-day supply.				
Contraceptive Drugs and devices	$0		Not covered	
Tier 1 Drugs	$25/prescription		Not covered	
Tier 2 Drugs	$50/prescription		Not covered	
Tier 3 Drugs	$70/prescription		Not covered	
Tier 4 Drugs	30% up to $250/prescription		Not covered	
Retail pharmacy prescription Drugs				
Per prescription, for a 90-day supply.				
Contraceptive Drugs and devices	$0		Not covered	
Tier 1 Drugs	$75/prescription		Not covered	
Tier 2 Drugs	$150/prescription		Not covered	
Tier 3 Drugs	$210/prescription		Not covered	
Tier 4 Drugs	30% up to $750/prescription		Not covered	
Mail service pharmacy prescription Drugs				
Per prescription, for a 31-90-day supply.				
Contraceptive Drugs and devices	$0		Not covered	
Tier 1 Drugs	$50/prescription		Not covered	
Tier 2 Drugs	$100/prescription		Not covered	

Prescription Drug Benefits[8,9]	Your payment			
	When using a Participating Pharmacy[3]	CYD[2] applies	When using a Non-Participating Pharmacy[4]	CYD[2] applies
Tier 3 Drugs	$140/prescription		Not covered	
Tier 4 Drugs	30% up to $500/prescription		Not covered	

Pediatric Benefits	Your payment			
Pediatric Benefits are available through the end of the month in which the Member turns 19.	When using a Participating Dentist[3]	CYD[2] applies	When using a Non-Participating Dentist[4]	CYD[2] applies
Pediatric dental[10]				
Diagnostic and preventive services				
• Oral exam	$0		20%	
• Preventive – cleaning	$0		20%	
• Preventive – x-ray	$0		20%	
• Sealants per tooth	$0		20%	
• Topical fluoride application	$0		20%	
• Space maintainers - fixed	$0		20%	
Basic services				
• Restorative procedures	20%		30%	
• Periodontal maintenance	20%		30%	
• Adjunctive general services	20%		30%	
Major services				
• Oral surgery	50%		50%	
• Endodontics	50%		50%	
• Periodontics (other than maintenance)	50%		50%	
• Crowns and casts	50%		50%	
• Prosthodontics	50%		50%	
Orthodontics (Medically Necessary)	50%		50%	

Pediatric Benefits	Your payment			
Pediatric Benefits are available through the end of the month in which the Member turns 19.	When using a Participating Provider[3]	CYD[2] applies	When using a Non-Participating Provider[4]	CYD[2] applies
Pediatric vision[11]				
Comprehensive eye examination *One exam per Calendar Year.*				
• Ophthalmologic visit	$0		All charges above $30	
• Optometric visit	$0		All charges above $30	

Pediatric Benefits	Your payment			
Pediatric Benefits are available through the end of the month in which the Member turns 19.	**When using a Participating Provider[3]**	**CYD[2] applies**	**When using a Non-Participating Provider[4]**	**CYD[2] applies**
Contact lens fitting and evaluation *When you choose contact lenses instead of eyeglasses, one per Member every 12 months by a Participating Provider if administered at the same time as the comprehensive exam. There is a maximum of two follow up visits.*				
• Standard lenses	$0		Not covered	
• Non-standard lenses	All charges above $60		Not covered	
Eyewear/materials *One eyeglass frame and eyeglass lenses, or contact lenses instead of eyeglasses, up to the Benefit per Calendar Year. Any exceptions are noted below.*				
• Contact lenses				
Non-elective (Medically Necessary) - hard or soft	$0		All charges above $225	
Up to two pairs per eye per Calendar Year.				
Elective (cosmetic/convenience)				
Standard and non-standard, hard	$0		All charges above $75	
Up to a 3 month supply for each eye per Calendar Year based on lenses selected.				
Standard and non-standard, soft	$0		All charges above $75	
Up to a 6 month supply for each eye per Calendar Year based on lenses selected.				
• Eyeglass frames				
Collection frames	$0		All charges above $40	
Non-collection frames	All charges above $150		All charges above $40	
• Eyeglass lenses *Lenses include choice of glass or plastic lenses, all lens powers (single vision, bifocal, trifocal, lenticular), fashion or gradient tint, scratch coating, oversized, and glass-grey #3 prescription sunglasses.*				
Single vision	$0		All charges above $25	
Lined bifocal	$0		All charges above $35	
Lined trifocal	$0		All charges above $45	

Pediatric Benefits	Your payment			
Pediatric Benefits are available through the end of the month in which the Member turns 19.	**When using a Participating Provider[3]**	**CYD[2] applies**	**When using a Non-Participating Provider[4]**	**CYD[2] applies**
Lenticular	$0		All charges above $45	
Optional eyeglass lenses and treatments				
• Ultraviolet protective coating (standard only)	$0		Not covered	
• Polycarbonate lenses	$0		Not covered	
• Standard progressive lenses	$55		Not covered	
• Premium progressive lenses	$95		Not covered	
• Anti-reflective lens coating (standard only)	$35		Not covered	
• Photochromic - glass lenses	$25		Not covered	
• Photochromic - plastic lenses	$25		Not covered	
• High index lenses	$30		Not covered	
• Polarized lenses	$45		Not covered	
Low vision testing and equipment				
• Comprehensive low vision exam *Once every 5 Calendar Years.*	35%		Not covered	
• Low vision devices *One aid per Calendar Year.*	35%		Not covered	

Prior Authorization

The following are some frequently-utilized Benefits that require prior authorization:

- Advanced imaging services
- Outpatient mental health services, except office visits and office-based opioid treatment
- Inpatient facility services
- Pediatric vision non-elective contact lenses and low vision testing and equipment
- Hospice program services
- Some prescription Drugs (see blueshieldca.com/pharmacy)

Please review the Evidence of Coverage for more about Benefits that require prior authorization.

Notes

1 Evidence of Coverage (EOC):

The Evidence of Coverage (EOC) describes the Benefits, limitations, and exclusions that apply to coverage under this Plan. Please review the EOC for more details of coverage outlined in this Summary of Benefits. You can request a copy of the EOC at any time.

Capitalized terms are defined in the EOC. Refer to the EOC for an explanation of the terms used in this Summary of Benefits.

2 Calendar Year Deductible (CYD):

Calendar Year Deductible explained. A Calendar Year Deductible is the amount you pay each Calendar Year before Blue Shield pays for Covered Services under the Plan.

If this Plan has any Calendar Year Deductible(s), Covered Services subject to that Deductible are identified with a check mark (✔) in the Benefits chart above.

Family coverage has an individual Deductible within the Family Deductible. This means that the Deductible will be met for an individual with Family coverage who meets the individual Deductible prior to the Family meeting the Family Deductible within a Calendar Year. Any amount you have paid toward the individual Deductible will be applied to both the individual Deductible and the Family Deductible. Once the individual Deductible or Family Deductible is reached, cost sharing applies until the Out-of-Pocket Maximum is reached.

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3 Using Participating Providers:

Participating Providers have a contract to provide health care services to Members. When you receive Covered Services from a Participating Provider, you are only responsible for the Copayment or Coinsurance, once any Calendar Year Deductible has been met.

Teladoc. Teladoc mental health and substance use disorder consultations are provided through Teladoc. These services are not administered by Blue Shield's Mental Health Service Administrator (MHSA).

"Allowable Amount" is defined in the EOC. In addition:

- Coinsurance is calculated from the Allowable Amount.

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4 Using Non-Participating Providers:

Non-Participating Providers do not have a contract to provide health care services to Members. When you receive Covered Services from a Non-Participating Provider, you are responsible for:

- the Copayment or Coinsurance (once any Calendar Year Deductible has been met), and
- any charges above the Allowable Amount.

"Allowable Amount" is defined in the EOC. In addition:

- Coinsurance is calculated from the Allowable Amount, which is subject to any stated Benefit maximum.
- Charges above the Allowable Amount do not count towards the Out-of-Pocket Maximum, and are your responsibility for payment to the provider. This out-of-pocket expense can be significant.

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5 Calendar Year Out-of-Pocket Maximum (OOPM):

Calendar Year Out-of-Pocket Maximum explained. The Out-of-Pocket Maximum is the most you are required to pay for Covered Services in a Calendar Year. Once you reach your Out-of-Pocket Maximum, Blue Shield will pay 100% of the Allowable Amount for Covered Services for the rest of the Calendar Year.

Your payment after you reach the Calendar Year OOPM. You will continue to pay all charges for the following Covered Services after the Calendar Year Out-of-Pocket Maximum is met:

- dialysis center Benefits: dialysis services from a Non-Participating Provider.
- charges for services that are not covered and charges above the Allowable Amount.

This Plan has a Participating Provider OOPM as well as a combined Participating Provider and Non-Participating Provider OOPM. This means that any amounts you pay towards your Participating Provider OOPM also count towards your combined Participating and Non-Participating Provider OOPM.

Family coverage has an individual OOPM within the Family OOPM. This means that the OOPM will be met for an individual with Family coverage who meets the individual OOPM prior to the Family meeting the Family OOPM within a Calendar Year. Any amount you have paid toward the individual OOPM will be applied to both the individual OOPM and the Family OOPM, except for Out-of-Network pediatric dental services. Cost sharing payments for pediatric dental services made by each individual child for Out-of-Network Covered Services do not accumulate to the Family Out-of-Pocket Maximum.

6 Separate Member Payments When Multiple Covered Services are Received:

Each time you receive multiple Covered Services, you might have separate payments (Copayment or Coinsurance) for each service. When this happens, you may be responsible for multiple Copayments or Coinsurance. For example, you may owe an office visit payment in addition to an allergy serum payment when you visit the doctor for an allergy shot.

7 Preventive Health Services:

If you only receive Preventive Health Services during a Physician office visit, there is no Copayment or Coinsurance for the visit. If you receive both Preventive Health Services and other Covered Services during the Physician office visit, you may have a Copayment or Coinsurance for the visit.

8 Outpatient Prescription Drug Coverage:

Medicare Part D-creditable coverage-

This Plan's prescription drug coverage is on average equivalent to or better than the standard benefit set by the federal government for Medicare Part D (also called creditable coverage). Because this plan's prescription drug coverage is creditable, you do not have to enroll in Medicare Part D while you maintain this coverage; however, you should be aware that if you do not enroll in Medicare Part D within 63 days following termination of this coverage, you could be subject to Medicare Part D premium penalties.

9 Outpatient Prescription Drug Coverage:

Brand Drug coverage when a Generic or Biosimilar Drug is available. If you, the Physician, or Health Care Provider, select a Brand Drug when a Generic Drug equivalent or Biosimilar Drug is available, you are responsible for the difference between the cost to Blue Shield for the Brand Drug and its Generic Drug equivalent or Biosimilar Drug plus the applicable tier Copayment or Coinsurance of the Brand Drug. This difference in cost will not count towards any Calendar Year pharmacy Deductible, medical Deductible, or the Calendar Year Out-of-Pocket Maximum.

See the Obtaining outpatient prescription Drugs at a Participating Pharmacy section of the EOC for more information about how a brand contraceptive may be covered without a Copayment or Coinsurance.

Request for Medical Necessity Review. If you or your Physician believes a Brand Drug is Medically Necessary, either person may request a Medical Necessity Review. If approved, the Brand Drug will be covered at the applicable Drug tier Copayment or Coinsurance.

Short-Cycle Specialty Drug program. This program allows initial prescriptions for select Specialty Drugs to be filled for a 15-day supply with your approval. When this occurs, the Copayment or Coinsurance will be pro-rated.

Specialty Drugs. Specialty Drugs are only available from a Network Specialty Pharmacy, up to a 30-day supply.

Oral Anticancer Drugs. You pay up to $250 for oral Anticancer Drugs from a Participating Pharmacy, up to a 30-day supply. Oral Anticancer Drugs from a Participating Pharmacy are not subject to any Deductible.

Retail pharmacy. You may receive up to a 90-day supply for maintenance Drugs at a Participating Pharmacy when you pay the applicable Copayment or Coinsurance for each 30-day supply.

Mail service Drugs. You pay the applicable 30-day retail pharmacy Copayment or Coinsurance for a 30-day supply or less from the mail service pharmacy.

10 Pediatric Dental Coverage:

Pediatric dental Benefits are provided through Blue Shield's Dental Plan Administrator (DPA).

Orthodontic Covered Services. The Copayment or Coinsurance for Medically Necessary orthodontic Covered Services applies to a course of treatment even if it extends beyond a Calendar Year. This applies as long as the Member remains enrolled in the Plan.

This plan is compliant with requirements of the pediatric dental EHB benchmark plan, including coverage of services in circumstances of Medical Necessity as defined in the Early Periodic Screening, Diagnosis and Treatment (EPSDT) benefit.

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11 Pediatric Vision Coverage:

Pediatric vision Benefits are provided through Blue Shield's Vision Plan Administrator (VPA).

Covered Services from Non-Participating Providers. There is no Copayment or Coinsurance up to the listed Allowable Amount. You pay all charges above the Allowable Amount.

Coverage for frames. If frames are selected that are more expensive than the Allowable Amount established for frames under this Benefit, you pay the difference between the Allowable Amount and the provider's charge.

"Collection frames" are covered with no Member payment from Participating Providers. Retail chain Participating Providers do not usually display the frames as "collection," but a comparable selection of frames is maintained.

"Non-collection frames" are covered up to an Allowable Amount of $150; however, if the Participating Provider uses:

- wholesale pricing, then the Allowable Amount will be up to $103.64.

Participating Providers using wholesale pricing are identified in the provider directory.

Plans may be modified to ensure compliance with State and Federal requirements.

EXHIBIT 52

to

Section §999.5(d)(5)(E)

The Summary of Benefits and Coverage (SBC) document will help you choose a health plan. The SBC shows you how you and the plan would share the cost for covered health care services. NOTE: Information about the cost of this plan (called the premium) will be provided separately. This is only a summary. For more information about your coverage, or to get a copy of the complete terms of coverage, www.kp.org/plandocuments or call 1-800-278-3296 (TTY: 711). For general definitions of common terms, such as allowed amount, balance billing, coinsurance, copayment, deductible, provider, or other underlined terms, see the Glossary. You can view the Glossary at http://www.healthcare.gov/sbc-glossary or call 1-800-278-3296 (TTY: 711) to request a copy.

Important Questions	Answers	Why This Matters:
What is the overall deductible?	$1,900 Individual / $3,800 Family	Generally, you must pay all of the costs from providers up to the deductible amount before this plan begins to pay. If you have other family members on the plan, each family member must meet their own individual deductible until the total amount of deductible expenses paid by all family members meets the overall family deductible.
Are there services covered before you meet your deductible?	Yes. Preventive care and services indicated in chart starting on page 2	This plan covers some items and services even if you haven't yet met the deductible amount. But a copayment or coinsurance may apply. For example, this plan covers certain preventive services without cost-sharing and before you meet your deductible. See a list of covered preventive services at https://www.healthcare.gov/coverage/preventive-care-benefits/.
Are there other deductibles for specific services?	No.	You don't have to meet deductibles for specific services.
What is the out-of-pocket limit for this plan?	$8,750 Individual / $17,500 Family. $350 Child / $700 Children for Child Dental	The out-of-pocket limit is the most you could pay in a year for covered services. If you have other family members in this plan, they have to meet their own out-of-pocket limits until the overall family out-of-pocket limit has been met.
What is not included in the out-of-pocket limit?	Premiums, and health care services this plan doesn't cover, indicated in chart starting on page 2.	Even though you pay these expenses, they don't count toward the out–of–pocket limit.
Will you pay less if you use a network provider?	Yes. See www.kp.org or call 1-800-278-3296 (TTY: 711) for a list of network providers.	This plan uses a provider network. You will pay less if you use a provider in the plan's network. You will pay the most if you use an out-of-network provider, and you might receive a bill from a provider for the difference between the provider's charge and what your plan pays (balance billing). Be aware your network provider might use an out-of-network provider for some services (such as lab work). Check with your provider before you get services.
Do you need a referral to see a specialist?	Yes, but you may self-refer to certain specialists.	This plan will pay some or all of the costs to see a specialist for covered services but only if you have a referral before you see the specialist.

All **copayment** and **coinsurance** costs shown in this chart are after your **deductible** has been met, if a **deductible** applies.

Common Medical Event	Services You May Need	What You Will Pay		Limitations, Exceptions, & Other Important Information
		Plan Provider (You will pay the least)	Non-Plan Provider (You will pay the most)	
If you visit a health care provider's office or clinic	Primary care visit to treat an injury or illness	$65 / visit, deductible does not apply	Not covered	None
	Specialist visit	$100 / visit, deductible does not apply	Not covered	None
	Preventive care/screening/ immunization	No charge, deductible does not apply	Not covered	You may have to pay for services that aren't preventive. Ask your provider if the services needed are preventive. Then check what your plan will pay for.
If you have a test	Diagnostic test (x-ray, blood work)	X-ray: $75 / encounter, deductible does not apply. Lab tests: $30 / encounter, deductible does not apply.	Not covered	None
	Imaging (CT/PET scans, MRIs)	$400 / procedure	Not covered	None
If you need drugs to treat your illness or condition More information about **prescription drug coverage** is available at www.kp.org/formulary	Generic drugs (Tier 1)	$20 / prescription (retail), $40 / prescription (mail order), deductible does not apply.	Not covered	Up to a 30-day supply retail and a 100-day supply mail order. Contraceptives are no charge, deductible does not apply. Subject to formulary guidelines.
	Preferred brand drugs (Tier 2)	$100 prescription (retail), $200 / prescription (mail order), deductible does not apply.	Not covered	Up to a 30-day supply retail and a 100-day supply mail order. Subject to formulary guidelines.
	Non-preferred brand drugs (Tier 2)	$100 prescription (retail), $200 / prescription (mail order), deductible does not apply.	Not covered	The cost-sharing for non-preferred brand drugs under this plan aligns with the cost-sharing for preferred brand drugs (Tier 2), when approved through the formulary exception process.
	Specialty drugs (Tier 4)	20% coinsurance up to $250 / prescription.	Not covered	Up to a 30-day supply (retail). Subject to formulary guidelines.
If you have outpatient surgery	Facility fee (e.g., ambulatory surgery center)	45% coinsurance	Not covered	None
	Physician/surgeon fees	Not Applicable	Not covered	Physician/Surgeon Fee is included in the Facility Fee.

Common Medical Event	Services You May Need	What You Will Pay		Limitations, Exceptions, & Other Important Information
		Plan Provider (You will pay the least)	Non-Plan Provider (You will pay the most)	
If you need immediate medical attention	Emergency room care	45% coinsurance	45% coinsurance	Coinsurance is waived if admitted to hospital as inpatient.
	Emergency medical transportation	45% coinsurance	45% coinsurance	None
	Urgent care	$65 / visit, deductible does not apply	Not covered	Non-Plan providers covered when temporarily outside the service area: $65 / visit, deductible does not apply.
If you have a hospital stay	Facility fee (e.g., hospital room)	45% coinsurance	Not covered	None
	Physician/surgeon fees	Not Applicable	Not covered	Physician/Surgeon Fee is included in the Facility Fee.
If you need mental health, behavioral health, or substance abuse services	Outpatient services	No charge for individual or group visit, deductible does not apply. No charge for other outpatient services, deductible does not apply.	Not covered	None
	Inpatient services	45% coinsurance	Not covered	None
If you are pregnant	Office visits	No charge, deductible does not apply	Not covered	Depending on the type of services, a copayment, coinsurance, or deductible may apply. Maternity care may include tests and services described elsewhere in the SBC (i.e., ultrasound).
	Childbirth/delivery professional services	Not Applicable	Not covered	Professional services are included in the Facility Fee.
	Childbirth/delivery facility services	45% coinsurance	Not covered	None
If you need help recovering or have other special health needs	Home health care	No charge, deductible does not apply.	Not covered	Up to 2 hours / visit, up to 3 visits / day, up to 100 visits / year.
	Rehabilitation services	Inpatient: 45% coinsurance Outpatient: $65 / visit, deductible does not apply.	Not covered	None

Common Medical Event	Services You May Need	What You Will Pay		Limitations, Exceptions, & Other Important Information
		Plan Provider (You will pay the least)	Non-Plan Provider (You will pay the most)	
	Habilitation services	Inpatient: 45% coinsurance Outpatient: $65 / visit, deductible does not apply.	Not covered	None
	Skilled nursing care	45% coinsurance	Not covered	Up to 100 days limit / benefit period.
	Durable medical equipment	45% coinsurance, deductible does not apply.	Not covered	Up to $2,000 supplemental benefit limit / year for certain items. Prior authorization required.
	Hospice services	No charge, deductible does not apply.	Not covered	None
If your child needs dental or eye care	Children's eye exam	No charge, deductible does not apply.	Not covered	None
	Children's glasses	No charge, deductible does not apply	Not covered	Limited to one pair of glasses/year from select frames and lenses
	Children's dental check-up	No charge, deductible does not apply	Not covered	Limited to two check-ups / year

Excluded Services & Other Covered Services:

Services Your Plan Generally Does NOT Cover (Check your policy or plan document for more information and a list of any other excluded services.)

- Cosmetic surgery
- Dental care (Adult)
- Hearing aids
- Infertility treatment
- Long-term care
- Non-emergency care when traveling outside the U.S.
- Private-duty nursing
- Routine foot care
- Weight loss programs

Other Covered Services (Limitations may apply to these services. This isn't a complete list. Please see your plan document.)

- Abortion
- Acupuncture (20 visits limit/year combined with chiropractic)
- Bariatric surgery
- Chiropractic care (20 visits limit/year combined with acupuncture)
- Routine eye care (Adult)

Your Rights to Continue Coverage: There are agencies that can help if you want to continue your coverage after it ends. The contact information for those agencies is shown in the chart below. Other coverage options may be available to you, too, including buying individual insurance coverage through the Health Insurance Marketplace. For more information about the Marketplace, visit www.HealthCare.gov or call 1-800-318- 2596.

Your Grievance and Appeals Rights: There are agencies that can help if you have a complaint against your plan for a denial of a claim. This complaint is called a grievance or appeal. For more information about your rights, look at the explanation of benefits you will receive for that medical claim. Your plan documents also provide complete information on how to submit a claim, appeal, or a grievance for any reason to your plan. For more information about your rights, this notice, or assistance, contact the agencies in the chart below.

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Contact Information for Your Rights to Continue Coverage & Your Grievance and Appeals Rights:

Kaiser Permanente Member Services	1-800-278-3296 (TTY: 711) or www.kp.org/memberservices
Department of Labor's Employee Benefits Security Administration	1-866-444-EBSA (3272) or www.dol.gov/ebsa/healthreform
Department of Health & Human Services, Center for Consumer Information & Insurance Oversight	1-877-267-2323 x61565 or www.cciio.cms.gov
California Department of Insurance	1-800-927-HELP (4357) or www.insurance.ca.gov
California Department of Managed Healthcare	1-888-466-2219 or www.dmhc.ca.gov

Does this plan provide Minimum Essential Coverage? Yes
Minimum Essential Coverage generally includes plans, health insurance available through the Marketplace or other individual market policies, Medicare, Medicaid, CHIP, TRICARE, and certain other coverage. If you are eligible for certain types of Minimum Essential Coverage, you may not be eligible for the premium tax credit.

Does this plan meet the Minimum Value Standards? Yes
If your plan doesn't meet the Minimum Value Standards, you may be eligible for a premium tax credit to help you pay for a plan through the Marketplace.

Language Access Services:

Spanish (Español): Para obtener asistencia en Español, llame al 1-800-788-0616 (TTY: 711)

Traditional Chinese (中文): 如果需要中文的幫助, 請撥打這個號碼 1-800-757-7585 (TTY: 711)

Navajo (Dine): Dinek'ehgo shika at'ohwol ninisingo, kwiijigo holne' 1-800-278-3296 (TTY: 711)

Pennsylvania Dutch (Deitsch): Fer Hilf griege in Deitsch, ruf 1-800-278-3296 (TTY: 711) uff

Tagalog (Tagalog): Kung kailangan ninyo ang tulong sa Tagalog tumawag sa 1-800-278-3296 (TTY: 711)

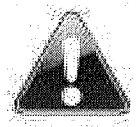
Samoan (Gagana Samoa): Mo se fesoasoani i le Gagana Samoa, vala'au mai i le numera telefoni 1-800-278-3296 (TTY: 711)

Carolinian (Kapasal Falawasch): ngere aukke ghut alillis reel kapasal Falawasch au fafaingi tilifon ye 1-800-278-3296 (TTY: 711)

Chamorro (Chamoru): Para un ma ayuda gi finu Chamoru, å'gang 1-800-278-3296 (TTY: 711)

To see examples of how this plan might cover costs for a sample medical situation, see the next section.

About these Coverage Examples:



This is not a cost estimator. Treatments shown are just examples of how this plan might cover medical care. Your actual costs will be different depending on the actual care you receive, the prices your providers charge, and many other factors. Focus on the cost-sharing amounts (deductibles, copayments and coinsurance) and excluded services under the plan. Use this information to compare the portion of costs you might pay under different health plans. Please note these coverage examples are based on self-only coverage.

Peg is Having a Baby
(9 months of in-network pre-natal care and a hospital delivery)

The plan's overall deductible	$1,900
Specialist copayment	$100
Hospital (facility) coinsurance	45%
Other (blood work) copayment	$30

This EXAMPLE event includes services like:
Specialist office visits *(prenatal care)*
Childbirth/Delivery Professional Services
Childbirth/Delivery Facility Services
Diagnostic tests *(ultrasounds and blood work)*
Specialist visit *(anesthesia)*

Total Example Cost	**$12,700**
In this example, Peg would pay:	
Cost Sharing	
Deductibles	$1,900
Copayments	$300
Coinsurance	$3,000
What isn't covered	
Limits or exclusions	$50
The total Peg would pay is	**$5,250**

Managing Joe's Type 2 Diabetes
(a year of routine in-network care of a well-controlled condition)

The plan's overall deductible	$1,900
Specialist copayment	$100
Hospital (facility) coinsurance	45%
Other (blood work) copayment	$30

This EXAMPLE event includes services like:
Primary care physician office visits *(including disease education)*
Diagnostic tests *(blood work)*
Prescription drugs
Durable medical equipment *(glucose meter)*

Total Example Cost	**$5,600**
In this example, Joe would pay:	
Cost Sharing	
Deductibles	$0
Copayments	$2,300
Coinsurance	$200
What isn't covered	
Limits or exclusions	$0
The total Joe would pay is	**$2,500**

Mia's Simple Fracture
(in-network emergency room visit and follow up care)

The plan's overall deductible	$1,900
Specialist copayment	$100
Hospital (facility) coinsurance	45%
Other (x-ray) copayment	$75

This EXAMPLE event includes services like:
Emergency room care *(including medical supplies)*
Diagnostic test *(x-ray)*
Durable medical equipment *(crutches)*
Rehabilitation services *(physical therapy)*

Total Example Cost	**$2,800**
In this example, Mia would pay:	
Cost Sharing	
Deductibles	$1,900
Copayments	$500
Coinsurance	$20
What isn't covered	
Limits or exclusions	$0
The total Mia would pay is	**$2,420**

The plan would be responsible for the other costs of these EXAMPLE covered services.

Nondiscrimination Notice

Discrimination is against the law. Kaiser Permanente[1] follows State and Federal civil rights laws.

Kaiser Permanente does not unlawfully discriminate, exclude people, or treat them differently because of age, race, ethnic group identification, color, national origin, cultural background, ancestry, religion, sex, gender, gender identity, gender expression, sexual orientation, marital status, physical or mental disability, medical condition, source of payment, genetic information, citizenship, primary language, or immigration status.

Kaiser Permanente provides the following services:

- No-cost aids and services to people with disabilities to help them communicate better with us, such as:
  - Qualified sign language interpreters
  - Written information in other formats (braille, large print, audio, accessible electronic formats, and other formats)
- No-cost language services to people whose primary language is not English, such as:
  - Qualified interpreters
  - Information written in other languages

If you need these services, call our Member Service Contact Center, 24 hours a day, 7 days a week (closed holidays). The call is free:

- Medi-Cal: **1-855-839-7613** (TTY **711**)
- All others: **1-800-464-4000** (TTY **711**)

Upon request, this document can be made available to you in braille, large print, audiocassette, or electronic form. To obtain a copy in one of these alternative formats, or another format, call our Member Service Contact Center and ask for the format you need.

How to file a grievance with Kaiser Permanente

You can file a discrimination grievance with Kaiser Permanente if you believe we have failed to provide these services or unlawfully discriminated in another way. You can file a grievance by phone, by mail, in person, or online. Please refer to your *Evidence of Coverage or Certificate of*

[1] Kaiser Permanente is inclusive of Kaiser Foundation Health Plan, Inc, Kaiser Foundation Hospitals, The Permanente Medical Group, and the Southern California Medical Group

Insurance for details. You can call Member Services for more information on the options that apply to you, or for help filing a grievance. You may file a discrimination grievance in the following ways:

- **By phone:** Medi-Cal members may call **1-855-839-7613** (TTY **711**). All other members may call **1-800-464-4000** (TTY **711**). Help is available 24 hours a day, 7 days a week (closed holidays)
- **By mail:** Download a form at **kp.org** or call Member Services and ask them to send you a form that you can send back.
- **In person:** Fill out a Complaint or Benefit Claim/Request form at a member services office located at a Plan Facility (go to your provider directory at kp.org/facilities for addresses)
- **Online:** Use the online form on our website at **kp.org**

You may also contact the Kaiser Permanente Civil Rights Coordinator directly at the addresses below:

Attn: Kaiser Permanente Civil Rights Coordinator
Member Relations Grievance Operations
P.O. Box 939001
San Diego CA 92193

How to file a grievance with the California Department of Health Care Services Office of Civil Rights *(For Medi-Cal Beneficiaries Only)*

You can also file a civil rights complaint with the California Department of Health Care Services Office of Civil Rights in writing, by phone or by email:

- **By phone:** Call DHCS Office of Civil Rights at **916-440-7370** (TTY **711**)
- **By mail:** Fill out a complaint form or send a letter to:

  Deputy Director, Office of Civil Rights
  Department of Health Care Services
  Office of Civil Rights
  P.O. Box 997413, MS 0009
  Sacramento, CA 95899-7413

  Complaint forms are available at: **http://www.dhcs.ca.gov/Pages/Language_Access.aspx**

- **Online:** Send an email to CivilRights@dhcs.ca.gov

How to file a grievance with the U.S. Department of Health and Human Services Office of Civil Rights

You can file a discrimination complaint with the U.S. Department of Health and Human Services Office for Civil Rights. You can file your complaint in writing, by phone, or online:

- **By phone:** Call **1-800-368-1019** (TTY **711** or **1-800-537-7697**)
- **By mail:** Fill out a complaint form or send a letter to:

  U.S. Department of Health and Human Services
  200 Independence Avenue, SW
  Room 509F, HHH Building
  Washington, D.C. 20201

  Complaint forms are available at: **https://www.hhs.gov/ocr/complaints/index.html**

- **Online:** Visit the Office of Civil Rights Complaint Portal at: **https://ocrportal.hhs.gov/ocr/portal/lobby.jsf.**

Language Assistance Services

English: Language assistance is available at no cost to you, 24 hours a day, 7 days a week. You can request interpreter services, or materials translated into your language or alternative formats. You can also request auxiliary aids and devices at our facilities. Call our Member Service Contact Center for help, 24 hours a day, 7 days a week (closed holidays).

- Medi-Cal: **1-855-839-7613** (TTY **711**)
- All others: **1-800-464-4000** (TTY **711**)

Arabic: خدمات الترجمة الفورية متوفرة لك مجانًا على مدار الساعة كافة أيام الأسبوع. بإمكانك طلب خدمة الترجمة الفورية أو ترجمة وثائق للغتك أو لصيغ أخرى. يمكنك أيضاً طلب مساعدات إضافية وأجهزة في مرافقنا. اتصل مع مركز اتصال خدمة الأعضاء لدينا، على مدار 24 ساعة في اليوم و 7 أيام في الأسبوع (العطلات مغلق).

- Medi-Cal: **1-855-839-7613** (TTY **711**)
- جميع الآخرين: **1-800-464-4000** (TTY **711**)

Armenian: Ձեզ կարող է անվճար լեզվական աջակցություն տրամադրվել օրը 24 ժամ, շաբաթը 7 օր: Դուք կարող եք պահանջել բանավոր թարգմանչի ծառայություններ, Ձեր լեզվով թարգմանված կամ այլընտրանքային ձևաչափով պատրաստված նյութեր: Դուք նաև կարող եք խնդրել օժանդակ օգնություններ և սարքեր մեր հաստատություններում: Օգնության համար զանգահարեք մեր Անդամների սպասարկման կապի կենտրոն օրը 24 ժամ, շաբաթը 7 օր (տոն օրերին փակ է):

- Medi-Cal՝ **1-855-839-7613** (TTY **711**)
- Այլ՝ **1-800-464-4000** (TTY **711**)

Chinese: 我们每周 7 天，每天 24 小时免费提供语言帮助。您可以要求提供口译员、或将材料翻译为您所用语言或其他格式。您还可以在我们的设施中要求使用辅助工具和设备。请打电话给我们的会员服务联络中心，服务时间为每周 7 天，每天 24 小时（节假日除外）。

- 所有会员：**1-800-757-7585** (TTY **711**)

Farsi: خدمات زبانی در 24 ساعت شبانه‌روز و 7 روز هفته به‌صورت رایگان در اختیار شماست. می‌توانید خدمات مترجم شفاهی، یا ترجمه مدارک به زبان خود یا به فرمت‌های دیگر را درخواست کنید. همچنین می‌توانید دستگاه‌ها و کمک‌های دیگر را در مراکز ما درخواست نمایید. برای دریافت کمک، در 24 ساعت شبانه‌روز و 7 روز هفته (به‌جز تعطیلات) با مرکز تماس خدمات اعضای ما تماس بگیرید.

- Medi-Cal: **1-855-839-7613** (TTY **711**)
- سایر: **1-800-464-4000** (TTY **711**)

Hindi: बिना किसी लागत के भाषा सहायता, दिन के 24 घंटे, सप्ताह के सातों दिन उपलब्ध हैं। आप दुभाषिये की सेवाओं के लिए, या बिना किसी लागत के सामग्रियों को अपनी भाषा में अनुवाद करवाने के लिए, या वैकल्पिक प्रारूपों का अनुरोध कर सकते हैं। आप हमारे सुविधा-स्थलों में सहायक साधनों और उपकरणों के लिए भी अनुरोध कर सकते हैं।सहायता के लिए हमारी सदस्य सेवाओं के सम्पर्क केंद्र को, दिन के 24 घंटे, सप्ताह के सातों दिन (छुट्टियों वाले दिन बंद रहता है) कॉल करें।

- Medi-Cal: **1-855-839-7613** (TTY **711**)
- बाकी दूसरे: **1-800-464-4000** (TTY **711**)

Hmong: Muaj kev pab txhais lus pub dawb rau koj, 24 teev tuaj ib hnub twg, 7 hnub tuaj ib lim tiam twg. Koj thov tau cov kev pab txhais lus, muab cov ntaub ntawv txhais ua koj hom lus, los yog ua lwm hom. Koj kuj thov tau lwm yam kev pab thiab khoom siv hauv peb tej tsev hauj lwm. Hu rau peb Qhov Chaw Pab Cov Tswv Cuab 24 teev tuaj ib hnub twg, 7 hnub tuaj ib lim tiam twg (cov hnub caiv kaw).

- Medi-Cal: **1-855-839-7613** (TTY **711**)
- Dua lwm cov: **1-800-464-4000** (TTY **711**)

Japanese: 多言語による情報支援を無料で 24 時間年中無休でご利用いただけます。通訳サービス、日本語に翻訳された資料、あるいは別の形式による資料もご所望いただけます。また、当施設における補助的な支援や機器についてもご所望いただけます。お気軽にご連絡ください（祝祭日を除き 24 時間週 7 日）。

- Medi-Cal: **1-855-839-7613** (TTY **711**)
- その他のご連絡先: **1-800-464-4000** (TTY **711**)

Khmer (Cambodian): ជំនួយភាសា គឺឥតគិតថ្លៃដល់អ្នកឡើយ 24 ម៉ោងក្នុងមួយថ្ងៃ 7 ថ្ងៃក្នុងមួយសប្តាហ៍។ អ្នកអាចស្នើសុំសេវាអ្នកបកប្រែ ឬឯកសារដែលបានបកប្រែជាភាសាខ្មែរ ឬទម្រង់ជំនួសផ្សេងៗទៀត។ អ្នកក៏អាចស្នើសុំឧបករណ៍ និងបរិក្ខារជំនួយទំនាក់ទំនងសម្រាប់អ្នកពិការនៅទីតាំងរបស់យើងផងដែរ។ ទូរស័ព្ទទៅមជ្ឈមណ្ឌលទំនាក់ទំនងសេវាកម្មសមាជិករបស់យើងសម្រាប់ជំនួយ 24 ម៉ោងក្នុងមួយថ្ងៃ 7 ថ្ងៃក្នុងមួយសប្តាហ៍ (ថ្ងៃឈប់សម្រាកបិទ)។

- Medi-Cal: **1-855-839-7613** (TTY **711**)
- ផ្សេងទៀតទាំងអស់: **1-800-464-4000** (TTY **711**)

Korean: 요일 및 시간에 관계없이 언어지원 서비스를 무료로 이용하실 수 있습니다. 귀하는 통역 서비스 또는 귀하의 언어로 번역된 자료 또는 대체 형식의 자료를 요청할 수 있습니다. 또한 저희 시설에서 보조기구 및 기기를 요청하실 수 있습니다. 저희 가입자 서비스 연락 센터에 주 7 일, 하루 24 시간(공휴일 휴무) 전화하셔서 도움을 받으십시오.

- Medi-Cal: **1-855-839-7613** (TTY **711**)
- 기타 모든 경우: **1-800-464-4000** (TTY **711**)

Laotian: ມີການຊ່ວຍເຫຼືອດ້ານພາສາບໍ່ເສຍຄ່າໃຫ້ແກ່ທ່ານ, 24 ຊົ່ວໂມງຕໍ່ອັນ, 7 ອັນຕໍ່ອາທິດ. ທ່ານຍ້ງສາມາດຂໍບໍລິການຜູ້ແປພາສາ ຫຼື ເອກະສານທີ່ແປເປັນພາສາຂອງທ່ານ ຫຼື ໃນຮູບແບບອື່ນໄດ້. ທ່ານຍ້ງສາມາດຂໍອຸປະກອນຊ່ວຍເສີມ ແລະ ເຄື່ອງມືຢູ່ສະຖານບໍລິການຂອງພວກເຮົາໄດ້. ໂທຫາສູນຕິດຕໍ່ບໍລິການສະມາຊິກຂອງພວກເຮົາເພື່ອຂໍຄວາມຊ່ວຍເຫຼືອ, 24 ຊົ່ວໂມງຕໍ່ອັນ, 7 ອັນຕໍ່ອາທິດ (ປິດໃນອັນພັກ).

- Medi-Cal: **1-855-839-7613** (TTY **711**)
- ອື່ນໆທ້ງໝົດ: **1-800-464-4000** (TTY **711**)

Mien: Mbenc nzoih liouh wangv-henh tengx nzie faan waac bun muangx meih maiv cingv, yietc hnoi mbenc maaih 24 norm ziangh hoc, yietc norm leiz baaix mbenc maaih 7 hnoi. Meih se haih tov heuc tengx faan benx meih nyei waac bun muangx, a'fai zoux benx nyungc horngh jaa-sic zoux benx meih nyei waac. Meih corc haih tov tengx nyungc horngh jaa-dorngx aengx caux jaa-sic nzie bun yiem njiec zorc goux baengc zingh gorn zangc. Beiv hnangv qiemx zuqc longc mienh nzie weih nor douc waac lorx taux yie mbuo ziux goux baengc mienh nyei gorn zangc, yietc hnoi tengx duqv 24 norm ziangh hoc, yietc norm leiz baaix tengx duqv 7 hnoi (simv cuotv gingc nyei hnoi se guon oc).

- Medi-Cal: **1-855-839-7613** (TTY **711**)
- Yietc zungv da'nyeic deix: **1-800-464-4000** (TTY **711**)

Navajo: Díí hózhó nízhoní bee hane' dóó jíik'ah jóóní doonílwo'. Ndik'é yádi naaltsoos bee haz'áanii bee hane' dóó yádi nihookaa dóó nádááhágíí yádi nihookaa. Shí éí bee háídínii bibee' haz'áanii dóó bee t'ah kodí bízíkinii wo'da'gi doolyé. Ahéhee' bik'ehgo nohólǫǫn'ígíí, 24 t'áádawołíí, 7 t'áádawołíígo (t'áadoo t'áálwo').

- Medi-Cal: **1-855-839-7613** (TTY **711**)
- Yadilzingo biłk'ehgo bee: **1-800-464-4000** (TTY **711**)

Punjabi: ਬਿਨਾਂ ਕਿਸੀ ਲਾਗਤ ਦੇ, ਦਿਨ ਦੇ 24 ਘੰਟੇ, ਹਫਤੇ ਦੇ 7 ਦਿਨ, ਭਾਸ਼ਾ ਸਹਾਇਤਾ ਤੁਹਾਡੇ ਲਈ ਉਪਲਬਧ ਹੈ। ਤੁਸੀਂ ਦੁਭਾਸ਼ੀਏ ਦੀਆਂ ਸੇਵਾਵਾਂ ਲਈ, ਜਾਂ ਸਮੱਗਰੀਆਂ ਨੂੰ ਆਪਣੀ ਭਾਸ਼ਾ ਵਿੱਚ ਅਨੁਵਾਦ ਕਰਵਾਉਣ ਲਈ, ਜਾਂ ਕਿਸੇ ਵੱਖ ਫਾਰਮੈਟ ਵਿੱਚ ਪ੍ਰਾਪਤ ਕਰਨ ਲਈ ਬੇਨਤੀ ਕਰ ਸਕਦੇ ਹੋ। ਤੁਸੀਂ ਸਾਡੀਆਂ ਸੁਵਿਧਾਵਾਂ ਵਿੱਚ ਵੀ ਸਹਾਇਕ ਸਾਧਨਾਂ ਅਤੇ ਉਪਕਰਣਾਂ ਲਈ ਬੇਨਤੀ ਕਰ ਸਕਦੇ ਹਾਂ। ਮਦਦ ਲਈ ਸਾਡੀ ਮੈਂਬਰ ਸੇਵਾਵਾਂ ਦੇ ਸੰਪਰਕ ਕੇਂਦਰ ਨੂੰ, ਦਿਨ ਦੇ 24 ਘੰਟੇ, ਹਫਤੇ ਦੇ 7 ਦਿਨ (ਛੁੱਟੀਆਂ ਵਾਲੇ ਦਿਨ ਬੰਦ ਰਹਿੰਦਾ ਹੈ) ਕਾੱਲ ਕਰੋ।

- Medi-Cal: **1-855-839-7613** (TTY **711**)
- ਹੋਰ ਸਾਰੇ: **1-800-464-4000** (TTY **711**)

Russian: Языковая помощь доступна для вас бесплатно круглосуточно, ежедневно. Вы можете запросить услуги переводчика или материалы, переведенные на ваш язык или в альтернативные форматы. Вы также можете заказать вспомогательные средства и приспособления. Для получения помощи позвоните в наш центр обслуживания участников ежедневно, круглосуточно (кроме праздничных дней).

- Medi-Cal: **1-855-839-7613** (линия TTY **711**)
- Все остальные: **1-800-464-4000** (линия TTY **711**)

Spanish: Tenemos disponible asistencia en su idioma sin ningún costo para usted 24 horas al día, 7 días a la semana. Usted puede solicitar los servicios de un intérprete, que los materiales se traduzcan a su idioma o formatos alternativos. También puede solicitar recursos para discapacidades en nuestros centros de atención. Llame a nuestra Central de Llamadas de Servicio a los Miembros para recibir ayuda 24 horas al día, 7 días a la semana (excepto los días festivos).

- Para todos los demás: **1-800-788-0616** (TTY **711**)

Tagalog: May magagamit na tulong sa wika nang wala kayong babayaran, 24 na oras sa isang araw, 7 araw sa isang linggo. Maaari kayong humiling ng mga serbisyo ng interpreter, o mga babasahin na isinalin sa inyong wika o sa mga alternatibong format. Maaari rin kayong humiling ng mga pantulong na gamit at device sa aming mga pasilidad. Tawagan ang aming Center sa Pakikipag-ugnayan ng Serbisyo sa Miyembro para sa tulong, 24 na oras sa isang araw, 7 araw sa isang linggo (sarado sa mga pista opisyal).

- Medi-Cal: **1-855-839-7613** (TTY **711**)
- Lahat ng iba pa: **1-800-464-4000** (TTY **711**)

Thai: มีบริการช่วยเหลือด้านภาษาตลอด 24 ชั่วโมงทุกวันโดยไม่มีค่าใช้จ่าย โดยคุณสามารถขอใช้บริการล่าม บริการแปลเอกสารเป็นภาษาของคุณหรือในรูปแบบอื่นๆ ได้ คุณสามารถขออุปกรณ์และเครื่องมือช่วยเหลือได้ที่ศูนย์บริการของเราโดยโทรหาเราที่ศูนย์ติดต่อฝ่ายบริการสมาชิกของเราเพื่อขอความช่วยเหลือตลอด 24 ชั่วโมงทุกวัน (ปิดทำการในช่วงวันหยุด)

- Medi-Cal: **1-855-839-7613** (TTY **711**)
- ที่อื่นๆทั้งหมด: **1-800-464-4000** (TTY **711**)

Ukrainian: Послуги перекладача надаються безкоштовно, цілодобово, 7 днів на тиждень. Ви можете зробити запит на послуги усного перекладача або отримання матеріалів у перекладі мовою, якою володієте, чи в альтернативних форматах. Також ви можете зробити запит на отримання допоміжних засобів і пристроїв у закладах нашої мережі компаній. Телефонуйте в наш контактний центр для обслуговування клієнтів цілодобово, 7 днів на тиждень (крім святкових днів).

- Medi-Cal: **1-855-839-7613** (TTY **711**)
- Усі інші: **1-800-464-4000** (TTY **711**)

Vietnamese: Dịch vụ hỗ trợ ngôn ngữ được cung cấp miễn phí cho quý vị 24 giờ mỗi ngày, 7 ngày trong tuần. Quý vị có thể yêu cầu dịch vụ thông dịch, hoặc tài liệu được dịch ra ngôn ngữ của quý vị hoặc nhiều hình thức khác. Quý vị cũng có thể yêu cầu các phương tiện trợ giúp và thiết bị bổ trợ tại các cơ sở của chúng tôi. Gọi cho Trung Tâm Liên Lạc ban Dịch Vụ Hội Viên của chúng tôi để được trợ giúp, 24 giờ mỗi ngày, 7 ngày trong tuần (trừ các ngày lễ).

- Medi-Cal: **1-855-839-7613** (TTY **711**)
- Mọi chương trình khác: **1-800-464-4000** (TTY **711**)

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EXHIBIT 53

to

Section §999.5(d)(5)(E)

The Summary of Benefits and Coverage (SBC) document will help you choose a health plan. The SBC shows you how you and the plan would share the cost for covered health care services. NOTE: Information about the cost of this plan (called the premium) will be provided separately. This is only a summary. For more information about your coverage, or to get a copy of the complete terms of coverage, www.kp.org/plandocuments or call 1-800-278-3296 (TTY: 711). For general definitions of common terms, such as allowed amount, balance billing, coinsurance, copayment, deductible, provider, or other underlined terms, see the Glossary. You can view the Glossary at http://www.healthcare.gov/sbc-glossary or call 1-800-278-3296 (TTY: 711) to request a copy.

Important Questions	Answers	Why This Matters:
What is the overall deductible?	$0	See the Common Medical Events chart below for your costs for services this plan covers.
Are there services covered before you meet your deductible?	Not Applicable.	This plan covers some items and services even if you haven't yet met the deductible amount. But a copayment or coinsurance may apply. For example, this plan covers certain preventive services without cost-sharing and before you meet your deductible. See a list of covered preventive services at https://www.healthcare.gov/coverage/preventive-care-benefits/.
Are there other deductibles for specific services?	No.	You don't have to meet deductibles for specific services.
What is the out-of-pocket limit for this plan?	$4,500 Individual / $9,000 Family. $350 Child / $700 Children for Child Dental.	The out-of-pocket limit is the most you could pay in a year for covered services. If you have other family members in this plan, they have to meet their own out-of-pocket limits until the overall family out-of-pocket limit has been met.
What is not included in the out-of-pocket limit?	Premiums, and health care services this plan doesn't cover, indicated in chart starting on page 2.	Even though you pay these expenses, they don't count toward the out–of–pocket limit.
Will you pay less if you use a network provider?	Yes. See www.kp.org or call 1-800-278-3296 (TTY: 711) for a list of network providers.	This plan uses a provider network. You will pay less if you use a provider in the plan's network. You will pay the most if you use an out-of-network provider, and you might receive a bill from a provider for the difference between the provider's charge and what your plan pays (balance billing). Be aware your network provider might use an out-of-network provider for some services (such as lab work). Check with your provider before you get services.
Do you need a referral to see a specialist?	Yes, but you may self-refer to certain specialists.	This plan will pay some or all of the costs to see a specialist for covered services but only if you have a referral before you see the specialist.

⚠ All **copayment** and **coinsurance** costs shown in this chart are after your **deductible** has been met, if a **deductible** applies.

Common Medical Event	Services You May Need	What You Will Pay		Limitations, Exceptions, & Other Important Information
		Plan Provider (You will pay the least)	Non-Plan Provider (You will pay the most)	
If you visit a health care provider's office or clinic	Primary care visit to treat an injury or illness	$20 / visit	Not covered	None
	Specialist visit	$30 / visit	Not covered	None
	Preventive care/screening/ immunization	No charge	Not covered	You may have to pay for services that aren't preventive. Ask your provider if the services needed are preventive. Then check what your plan will pay for.
If you have a test	Diagnostic test (x-ray, blood work)	X-ray: $30 / encounter Lab tests: $20 / encounter	Not covered	None
	Imaging (CT/PET scans, MRIs)	$100 / procedure	Not covered	None
If you need drugs to treat your illness or condition More information about **prescription drug coverage** is available at www.kp.org/formulary	Generic drugs (Tier 1)	$5 / prescription (retail), $10 / prescription (mail order)	Not covered	Up to a 30-day supply retail and a 100-day supply mail order. Contraceptives are no charge. Subject to formulary guidelines.
	Preferred brand drugs (Tier 2)	$20 prescription (retail), $40 / prescription (mail order)	Not covered	Up to a 30-day supply retail and a 100-day supply mail order. Subject to formulary guidelines.
	Non-preferred brand drugs (Tier 2)	$20 prescription (retail), $40 / prescription (mail order)	Not covered	The cost-sharing for non-preferred brand drugs under this plan aligns with the cost-sharing for preferred brand drugs (Tier 2), when approved through the formulary exception process.
	Specialty drugs (Tier 4)	10% coinsurance up to $250 / prescription	Not covered	Up to a 30-day supply (retail). Subject to formulary guidelines.
If you have outpatient surgery	Facility fee (e.g., ambulatory surgery center)	$125 / procedure	Not covered	None
	Physician/surgeon fees	Not Applicable	Not covered	Physician/Surgeon Fee is included in the Facility Fee.

Common Medical Event	Services You May Need	What You Will Pay		Limitations, Exceptions, & Other Important Information
		Plan Provider (You will pay the least)	Non-Plan Provider (You will pay the most)	
If you need immediate medical attention	Emergency room care	$150 / visit	$150 / visit	Copayment is waived if admitted to hospital as inpatient.
	Emergency medical transportation	$150 / trip	$150 / trip	None
	Urgent care	$20 / visit	Not covered	Non-Plan providers covered when temporarily outside the service area: $20 / visit
If you have a hospital stay	Facility fee (e.g., hospital room)	$250 / day up to 5 days	Not covered	None
	Physician/surgeon fees	Not Applicable	Not covered	Physician/Surgeon Fee is included in the Facility Fee.
If you need mental health, behavioral health, or substance abuse services	Outpatient services	$20 / individual visit. No charge for other outpatient services.	Not covered	Mental / Behavioral health: $10 / group visit Substance Abuse: $5 / group visit
	Inpatient services	$250 / day up to 5 days	Not covered	None
If you are pregnant	Office visits	No charge	Not covered	Depending on the type of services, a copayment, coinsurance, or deductible may apply. Maternity care may include tests and services described elsewhere in the SBC (i.e., ultrasound).
	Childbirth/delivery professional services	Not Applicable	Not covered	Professional services are included in the Facility Fee.
	Childbirth/delivery facility services	$250 / day up to 5 days	Not covered	None
If you need help recovering or have other special health needs	Home health care	$20 / visit	Not covered	Up to 2 hours / visit, up to 3 visits / day, up to 100 visits / year.
	Rehabilitation services	Inpatient: $250 / day up to 5 days. Outpatient: $20 / visit	Not covered	None
	Habilitation services	Inpatient: $250 / day up to 5 days. Outpatient: $20 / visit	Not covered	None
	Skilled nursing care	$150 / day up to 5 days	Not covered	Up to 100 days limit / benefit period.
	Durable medical equipment	10% coinsurance	Not covered	Up to $2,000 supplemental benefit limit / year for certain items. Prior authorization required.

Common Medical Event	Services You May Need	What You Will Pay		Limitations, Exceptions, & Other Important Information
		Plan Provider (You will pay the least)	Non-Plan Provider (You will pay the most)	
	Hospice services	No charge	Not covered	None
If your child needs dental or eye care	Children's eye exam	No charge	Not covered	None
	Children's glasses	No charge	Not covered	Limited to one pair of glasses/year from select frames and lenses
	Children's dental check-up	No charge	Not covered	Limited to two check-ups / year

Excluded Services & Other Covered Services:

Services Your Plan Generally Does NOT Cover (Check your policy or plan document for more information and a list of any other excluded services.)

- Chiropractic care
- Cosmetic surgery
- Dental care (Adult)
- Hearing aids
- Infertility treatment
- Long-term care
- Non-emergency care when traveling outside the U.S.
- Private-duty nursing
- Routine foot care
- Weight loss programs

Other Covered Services (Limitations may apply to these services. This isn't a complete list. Please see your plan document.)

- Abortion
- Acupuncture (plan provider referred)
- Bariatric surgery
- Routine eye care (Adult)

Your Rights to Continue Coverage: There are agencies that can help if you want to continue your coverage after it ends. The contact information for those agencies is shown in the chart below. Other coverage options may be available to you, too, including buying individual insurance coverage through the Health Insurance Marketplace. For more information about the Marketplace, visit www.HealthCare.gov or call 1-800-318- 2596.

Your Grievance and Appeals Rights: There are agencies that can help if you have a complaint against your plan for a denial of a claim. This complaint is called a grievance or appeal. For more information about your rights, look at the explanation of benefits you will receive for that medical claim. Your plan documents also provide complete information on how to submit a claim, appeal, or a grievance for any reason to your plan. For more information about your rights, this notice, or assistance, contact the agencies in the chart below.

Contact Information for Your Rights to Continue Coverage & Your Grievance and Appeals Rights:

Kaiser Permanente Member Services	1-800-278-3296 (TTY: 711) or www.kp.org/memberservices
Department of Labor's Employee Benefits Security Administration	1-866-444-EBSA (3272) or www.dol.gov/ebsa/healthreform
Department of Health & Human Services, Center for Consumer Information & Insurance Oversight	1-877-267-2323 x61565 or www.cciio.cms.gov
California Department of Insurance	1-800-927-HELP (4357) or www.insurance.ca.gov
California Department of Managed Healthcare	1-888-466-2219 or www.dmhc.ca.gov

Does this plan provide Minimum Essential Coverage? Yes
Minimum Essential Coverage generally includes plans, health insurance available through the Marketplace or other individual market policies, Medicare, Medicaid, CHIP, TRICARE, and certain other coverage. If you are eligible for certain types of Minimum Essential Coverage, you may not be eligible for the premium tax credit.

Does this plan meet the Minimum Value Standards? Yes
If your plan doesn't meet the Minimum Value Standards, you may be eligible for a premium tax credit to help you pay for a plan through the Marketplace.

Language Access Services:

Spanish (Español): Para obtener asistencia en Español, llame al 1-800-788-0616 (TTY: 711)

Traditional Chinese (中文): 如果需要中文的幫助，請撥打這個號碼 1-800-757-7585 (TTY: 711)

Navajo (Dine): Dinek'ehgo shika at'ohwol ninisingo, kwiijigo holne' 1-800-278-3296 (TTY: 711)

Pennsylvania Dutch (Deitsch): Fer Hilf griege in Deitsch, ruf 1-800-278-3296 (TTY: 711) uff

Tagalog (Tagalog): Kung kailangan ninyo ang tulong sa Tagalog tumawag sa 1-800-278-3296 (TTY: 711)

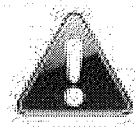
Samoan (Gagana Samoa): Mo se fesoasoani i le Gagana Samoa, vala'au mai i le numera telefoni 1-800-278-3296 (TTY: 711)

Carolinian (Kapasal Falawasch): ngere aukke ghut alillis reel kapasal Falawasch au fafaingi tilifon ye 1-800-278-3296 (TTY: 711)

Chamorro (Chamoru): Para un ma ayuda gi finu Chamoru, å'gang 1-800-278-3296 (TTY: 711)

To see examples of how this plan might cover costs for a sample medical situation, see the next section.

About these Coverage Examples:



This is not a cost estimator. Treatments shown are just examples of how this plan might cover medical care. Your actual costs will be different depending on the actual care you receive, the prices your providers charge, and many other factors. Focus on the cost-sharing amounts (deductibles, copayments and coinsurance) and excluded services under the plan. Use this information to compare the portion of costs you might pay under different health plans. Please note these coverage examples are based on self-only coverage.

Peg is Having a Baby

(9 months of in-network pre-natal care and a hospital delivery)

The plan's overall deductible	$0
Specialist copayment	$30
Hospital (facility) copayment	$250
Other (blood work) copayment	$20

This EXAMPLE event includes services like:
Specialist office visits *(prenatal care)*
Childbirth/Delivery Professional Services
Childbirth/Delivery Facility Services
Diagnostic tests *(ultrasounds and blood work)*
Specialist visit *(anesthesia)*

Total Example Cost	**$12,700**
In this example, Peg would pay:	
Cost Sharing	
Deductibles	$0
Copayments	$400
Coinsurance	$0
What isn't covered	
Limits or exclusions	$50
The total Peg would pay is	**$450**

Managing Joe's Type 2 Diabetes

(a year of routine in-network care of a well-controlled condition)

The plan's overall deductible	$0
Specialist copayment	$30
Hospital (facility) copayment	$250
Other (blood work) copayment	$20

This EXAMPLE event includes services like:
Primary care physician office visits *(including disease education)*
Diagnostic tests *(blood work)*
Prescription drugs
Durable medical equipment *(glucose meter)*

Total Example Cost	**$5,600**
In this example, Joe would pay:	
Cost Sharing	
Deductibles	$0
Copayments	$600
Coinsurance	$50
What isn't covered	
Limits or exclusions	$0
The total Joe would pay is	**$650**

Mia's Simple Fracture

(in-network emergency room visit and follow up care)

The plan's overall deductible	$0
Specialist copayment	$30
Hospital (facility) copayment	$250
Other (x-ray) copayment	$30

This EXAMPLE event includes services like:
Emergency room care *(including medical supplies)*
Diagnostic test *(x-ray)*
Durable medical equipment *(crutches)*
Rehabilitation services *(physical therapy)*

Total Example Cost	**$2,800**
In this example, Mia would pay:	
Cost Sharing	
Deductibles	$0
Copayments	$500
Coinsurance	$0
What isn't covered	
Limits or exclusions	$0
The total Mia would pay is	**$500**

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The plan would be responsible for the other costs of these EXAMPLE covered services.0

Nondiscrimination Notice

Discrimination is against the law. Kaiser Permanente[1] follows State and Federal civil rights laws.

Kaiser Permanente does not unlawfully discriminate, exclude people, or treat them differently because of age, race, ethnic group identification, color, national origin, cultural background, ancestry, religion, sex, gender, gender identity, gender expression, sexual orientation, marital status, physical or mental disability, medical condition, source of payment, genetic information, citizenship, primary language, or immigration status.

Kaiser Permanente provides the following services:

- No-cost aids and services to people with disabilities to help them communicate better with us, such as:
  - Qualified sign language interpreters
  - Written information in other formats (braille, large print, audio, accessible electronic formats, and other formats)
- No-cost language services to people whose primary language is not English, such as:
  - Qualified interpreters
  - Information written in other languages

If you need these services, call our Member Service Contact Center, 24 hours a day, 7 days a week (closed holidays). The call is free:

- Medi-Cal: **1-855-839-7613** (TTY **711**)
- All others: **1-800-464-4000** (TTY **711**)

Upon request, this document can be made available to you in braille, large print, audiocassette, or electronic form. To obtain a copy in one of these alternative formats, or another format, call our Member Service Contact Center and ask for the format you need.

How to file a grievance with Kaiser Permanente

You can file a discrimination grievance with Kaiser Permanente if you believe we have failed to provide these services or unlawfully discriminated in another way. You can file a grievance by phone, by mail, in person, or online. Please refer to your *Evidence of Coverage or Certificate of*

[1] Kaiser Permanente is inclusive of Kaiser Foundation Health Plan, Inc, Kaiser Foundation Hospitals, The Permanente Medical Group, and the Southern California Medical Group

Insurance for details. You can call Member Services for more information on the options that apply to you, or for help filing a grievance. You may file a discrimination grievance in the following ways:

- **By phone:** Medi-Cal members may call **1-855-839-7613** (TTY **711**). All other members may call **1-800-464-4000** (TTY **711**). Help is available 24 hours a day, 7 days a week (closed holidays)
- **By mail:** Download a form at **kp.org** or call Member Services and ask them to send you a form that you can send back.
- **In person:** Fill out a Complaint or Benefit Claim/Request form at a member services office located at a Plan Facility (go to your provider directory at kp.org/facilities for addresses)
- **Online:** Use the online form on our website at **kp.org**

You may also contact the Kaiser Permanente Civil Rights Coordinator directly at the addresses below:

Attn: Kaiser Permanente Civil Rights Coordinator
Member Relations Grievance Operations
P.O. Box 939001
San Diego CA 92193

How to file a grievance with the California Department of Health Care Services Office of Civil Rights *(For Medi-Cal Beneficiaries Only)*

You can also file a civil rights complaint with the California Department of Health Care Services Office of Civil Rights in writing, by phone or by email:

- **By phone:** Call DHCS Office of Civil Rights at **916-440-7370** (TTY **711**)
- **By mail:** Fill out a complaint form or send a letter to:

  Deputy Director, Office of Civil Rights
  Department of Health Care Services
  Office of Civil Rights
  P.O. Box 997413, MS 0009
  Sacramento, CA 95899-7413

  Complaint forms are available at: **http://www.dhcs.ca.gov/Pages/Language_Access.aspx**
- **Online:** Send an email to CivilRights@dhcs.ca.gov

How to file a grievance with the U.S. Department of Health and Human Services Office of Civil Rights

You can file a discrimination complaint with the U.S. Department of Health and Human Services Office for Civil Rights. You can file your complaint in writing, by phone, or online:

- **By phone:** Call **1-800-368-1019** (TTY **711** or **1-800-537-7697**)
- **By mail:** Fill out a complaint form or send a letter to:

  U.S. Department of Health and Human Services
  200 Independence Avenue, SW
  Room 509F, HHH Building
  Washington, D.C. 20201

  Complaint forms are available at: **https://www.hhs.gov/ocr/complaints/index.html**

- **Online:** Visit the Office of Civil Rights Complaint Portal at: **https://ocrportal.hhs.gov/ocr/portal/lobby.jsf.**

Language Assistance Services

English: Language assistance is available at no cost to you, 24 hours a day, 7 days a week. You can request interpreter services, or materials translated into your language or alternative formats. You can also request auxiliary aids and devices at our facilities. Call our Member Service Contact Center for help, 24 hours a day, 7 days a week (closed holidays).

- Medi-Cal: **1-855-839-7613** (TTY **711**)
- All others: **1-800-464-4000** (TTY **711**)

Arabic: خدمات الترجمة الفورية متوفرة لك مجانًا على مدار الساعة كافة أيام الأسبوع. بإمكانك طلب خدمة الترجمة الفورية أو ترجمة وثائق للغتك أو لصيغ أخرى. يمكنك أيضاً طلب مساعدات إضافية وأجهزة في مرافقنا. اتصل مع مركز اتصال خدمة الأعضاء لدينا، على مدار 24 ساعة في اليوم و 7 أيام في الأسبوع (العطلات مغلق).

- Medi-Cal: **1-855-839-7613** (TTY **711**)
- جميع الآخرين: **1-800-464-4000** (TTY **711**)

Armenian: Ձեզ կարող է անվճար լեզվական աջակցություն տրամադրվել օրը 24 ժամ, շաբաթը 7 օր: Դուք կարող եք պահանջել բանավոր թարգմանչի ծառայություններ, Ձեր լեզվով թարգմանված կամ այլընտրանքային ձևաչափով պատրաստված նյութեր: Դուք նաև կարող եք խնդրել օժանդակ օգնություններ և սարքեր մեր հաստատություններում: Օգնության համար զանգահարեք մեր Անդամների սպասարկման կապի կենտրոն օրը 24 ժամ, շաբաթը 7 օր (տոն օրերին փակ է):

- Medi-Cal՝ **1-855-839-7613** (TTY **711**)
- Այլ՝ **1-800-464-4000** (TTY **711**)

Chinese: 我们每周 7 天，每天 24 小时免费提供语言帮助。您可以要求提供口译员、或将材料翻译为您所用语言或其他格式。您还可以在我们的设施中要求使用辅助工具和设备。请打电话给我们的会员服务联络中心，服务时间为每周 7 天，每天 24 小时（节假日除外）。

- 所有会员：**1-800-757-7585** (TTY **711**)

Farsi: خدمات زبانی در 24 ساعت شبانه‌روز و 7 روز هفته به‌صورت رایگان در اختیار شماست. می‌توانید خدمات مترجم شفاهی، یا ترجمه مدارک به زبان خود یا به فرمت‌های دیگر را درخواست کنید. همچنین می‌توانید دستگاه‌ها و کمک‌های دیگر را در مراکز ما درخواست نمایید. برای دریافت کمک، در 24 ساعت شبانه‌روز و 7 روز هفته (به‌جز تعطیلات) با مرکز تماس خدمات اعضای ما تماس بگیرید.

- Medi-Cal: **1-855-839-7613** (TTY **711**)
- سایر: **1-800-464-4000** (TTY **711**)

Hindi: बिना किसी लागत के भाषा सहायता, दिन के 24 घंटे, सप्ताह के सातों दिन उपलब्ध हैं। आप दुभाषिये की सेवाओं के लिए, या बिना किसी लागत के सामग्रियों को अपनी भाषा में अनुवाद करवाने के लिए, या वैकल्पिक प्रारूपों का अनुरोध कर सकते हैं। आप हमारे सुविधा-स्थलों में सहायक साधनों और उपकरणों के लिए भी अनुरोध कर सकते हैं।सहायता के लिए हमारी सदस्य सेवाओं के सम्पर्क केंद्र को, दिन के 24 घंटे, सप्ताह के सातों दिन (छुट्टियों वाले दिन बंद रहता है) कॉल करें।

- Medi-Cal: **1-855-839-7613** (TTY **711**)
- बाकी दूसरे: **1-800-464-4000** (TTY **711**)

Hmong: Muaj kev pab txhais lus pub dawb rau koj, 24 teev tuaj ib hnub twg, 7 hnub tuaj ib lim tiam twg. Koj thov tau cov kev pab txhais lus, muab cov ntaub ntawv txhais ua koj hom lus, los yog ua lwm hom. Koj kuj thov tau lwm yam kev pab thiab khoom siv hauv peb tej tsev hauj lwm. Hu rau peb Qhov Chaw Pab Cov Tswv Cuab 24 teev tuaj ib hnub twg, 7 hnub tuaj ib lim tiam twg (cov hnub caiv kaw).

- Medi-Cal: **1-855-839-7613** (TTY **711**)
- Dua lwm cov: **1-800-464-4000** (TTY **711**)

Japanese: 多言語による情報支援を無料で 24 時間年中無休でご利用いただけます。通訳サービス、日本語に翻訳された資料、あるいは別の形式による資料もご所望いただけます。また、当施設における補助的な支援や機器についてもご所望いただけます。お気軽にご連絡ください（祝祭日を除き 24 時間週 7 日）。

- Medi-Cal: **1-855-839-7613** (TTY **711**)
- その他のご連絡先: **1-800-464-4000** (TTY **711**)

Khmer (Cambodian): ជំនួយភាសា គឺឥតគិតថ្លៃដល់អ្នកឡើយ 24 ម៉ោងក្នុងមួយថ្ងៃ 7 ថ្ងៃក្នុងមួយសប្តាហ៍។ អ្នកអាចស្នើសុំសេវាអ្នកបកប្រែឯកសារដែលបានបកប្រែជាភាសាខ្មែរ ឬទម្រង់ជំនួសផ្សេងៗទៀត។ អ្នកក៏អាចស្នើសុំឧបករណ៍ និងបរិក្ខារជំនួយទំនាក់ទំនងសម្រាប់អ្នកពិការនៅទីតាំងរបស់យើងផងដែរ។ ទូរស័ព្ទទៅមជ្ឈមណ្ឌលទំនាក់ទំនងសេវាកម្មសមាជិករបស់យើងសម្រាប់ជំនួយ 24 ម៉ោងក្នុងមួយថ្ងៃ 7 ថ្ងៃក្នុងមួយសប្តាហ៍ (ថ្ងៃឈប់សម្រាកបិទ)។

- Medi-Cal: **1-855-839-7613** (TTY **711**)
- ផ្សេងទៀតទាំងអស់: **1-800-464-4000** (TTY **711**)

Korean: 요일 및 시간에 관계없이 언어지원 서비스를 무료로 이용하실 수 있습니다. 귀하는 통역 서비스 또는 귀하의 언어로 번역된 자료 또는 대체 형식의 자료를 요청할 수 있습니다. 또한 저희 시설에서 보조기구 및 기기를 요청하실 수 있습니다. 저희 가입자 서비스 연락 센터에 주 7 일, 하루 24 시간(공휴일 휴무) 전화하셔서 도움을 받으십시오.

- Medi-Cal: **1-855-839-7613** (TTY **711**)
- 기타 모든 경우: **1-800-464-4000** (TTY **711**)

Laotian: ມີການຊ່ວຍເຫຼືອດ້ານພາສາບໍ່ເສຍຄ່າໃຫ້ແກ່ທ່ານ, 24 ຊົ່ວໂມງຕໍ່ວັນ, 7 ວັນຕໍ່ອາທິດ. ທ່ານຍັງສາມາດຂໍບໍລິການຜູ້ແປພາສາ ຫຼື ເອກະສານທີ່ແປເປັນພາສາຂອງທ່ານ ຫຼື ໃນຮູບແບບອື່ນໄດ້. ທ່ານຍັງສາມາດຂໍອຸປະກອນຊ່ວຍເສີມ ແລະ ເຄື່ອງມືຢູ່ສະຖານບໍລິການຂອງພວກເຮົາໄດ້. ໂທຫາສູນຕິດຕໍ່ບໍລິການສະມາຊິກຂອງພວກເຮົາເພື່ອຂໍຄວາມຊ່ວຍເຫຼືອ, 24 ຊົ່ວໂມງຕໍ່ວັນ, 7 ວັນຕໍ່ອາທິດ (ປິດໃນວັນພັກ).

- Medi-Cal: **1-855-839-7613** (TTY **711**)
- ອື່ນໆທັງໝົດ: **1-800-464-4000** (TTY **711**)

Mien: Mbenc nzoih liouh wangv-henh tengx nzie faan waac bun muangx meih maiv cingv, yietc hnoi mbenc maaih 24 norm ziangh hoc, yietc norm leiz baaix mbenc maaih 7 hnoi. Meih se haih tov heuc tengx faan benx meih nyei waac bun muangx, a'fai zoux benx nyungc horngh jaa-sic zoux benx meih nyei waac. Meih corc haih tov tengx nyungc horngh jaa-dorngx aengx caux jaa-sic nzie bun yiem njiec zorc goux baengc zingh gorn zangc. Beiv hnangv qiemx zuqc longc mienh nzie weih nor douc waac lorx taux yie mbuo ziux goux baengc mienh nyei gorn zangc, yietc hnoi tengx duqv 24 norm ziangh hoc, yietc norm leiz baaix tengx duqv 7 hnoi (simv cuotv gingc nyei hnoi se guon oc).

- Medi-Cal: **1-855-839-7613** (TTY **711**)
- Yietc zungv da'nyeic deix: **1-800-464-4000** (TTY **711**)

Navajo: Díí hózhó nízhoní bee hane' dóó jíik'ah jóóní doonílwo'. Ndik'é yádi naaltsoos bee haz'áanii bee hane' dóó yádi nihookaa dóó nádááhágíí yádi nihookaa. Shí éí bee háídínii bibee' haz'áanii dóó bee t'ah kodí bízíkinii wo'da'gi doolyé. Ahéhee' bik'ehgo nohólǫǫn'ígíí, 24 t'áádawołíí, 7 t'áádawołíígo (t'áadoo t'áálwo').

- Medi-Cal: **1-855-839-7613** (TTY **711**)
- Yadilzingo biłk'ehgo bee: **1-800-464-4000** (TTY **711**)

Punjabi: ਬਿਨਾਂ ਕਿਸੀ ਲਾਗਤ ਦੇ, ਦਿਨ ਦੇ 24 ਘੰਟੇ, ਹਫਤੇ ਦੇ 7 ਦਿਨ, ਭਾਸ਼ਾ ਸਹਾਇਤਾ ਤੁਹਾਡੇ ਲਈ ਉਪਲਬਧ ਹੈ। ਤੁਸੀਂ ਦੁਭਾਸ਼ੀਏ ਦੀਆਂ ਸੇਵਾਵਾਂ ਲਈ, ਜਾਂ ਸਮੱਗਰੀਆਂ ਨੂੰ ਆਪਣੀ ਭਾਸ਼ਾ ਵਿੱਚ ਅਨੁਵਾਦ ਕਰਵਾਉਣ ਲਈ, ਜਾਂ ਕਿਸੇ ਵੱਖ ਫਾਰਮੈਟ ਵਿੱਚ ਪ੍ਰਾਪਤ ਕਰਨ ਲਈ ਬੇਨਤੀ ਕਰ ਸਕਦੇ ਹੋ। ਤੁਸੀਂ ਸਾਡੀਆਂ ਸੁਵਿਧਾਵਾਂ ਵਿੱਚ ਵੀ ਸਹਾਇਕ ਸਾਧਨਾਂ ਅਤੇ ਉਪਕਰਣਾਂ ਲਈ ਬੇਨਤੀ ਕਰ ਸਕਦੇ ਹਾਂ। ਮਦਦ ਲਈ ਸਾਡੀ ਮੈਂਬਰ ਸੇਵਾਵਾਂ ਦੇ ਸੰਪਰਕ ਕੇਂਦਰ ਨੂੰ, ਦਿਨ ਦੇ 24 ਘੰਟੇ, ਹਫਤੇ ਦੇ 7 ਦਿਨ (ਛੁੱਟੀਆਂ ਵਾਲੇ ਦਿਨ ਬੰਦ ਰਹਿੰਦਾ ਹੈ) ਕਾੱਲ ਕਰੋ।

- Medi-Cal: **1-855-839-7613** (TTY **711**)
- ਹੋਰ ਸਾਰੇ: **1-800-464-4000** (TTY **711**)

Russian: Языковая помощь доступна для вас бесплатно круглосуточно, ежедневно. Вы можете запросить услуги переводчика или материалы, переведенные на ваш язык или в альтернативные форматы. Вы также можете заказать вспомогательные средства и приспособления. Для получения помощи позвоните в наш центр обслуживания участников ежедневно, круглосуточно (кроме праздничных дней).

- Medi-Cal: **1-855-839-7613** (линия TTY **711**)
- Все остальные: **1-800-464-4000** (линия TTY **711**)

Spanish: Tenemos disponible asistencia en su idioma sin ningún costo para usted 24 horas al día, 7 días a la semana. Usted puede solicitar los servicios de un intérprete, que los materiales se traduzcan a su idioma o formatos alternativos. También puede solicitar recursos para discapacidades en nuestros centros de atención. Llame a nuestra Central de Llamadas de Servicio a los Miembros para recibir ayuda 24 horas al día, 7 días a la semana (excepto los días festivos).

- Para todos los demás: **1-800-788-0616** (TTY **711**)

Tagalog: May magagamit na tulong sa wika nang wala kayong babayaran, 24 na oras sa isang araw, 7 araw sa isang linggo. Maaari kayong humiling ng mga serbisyo ng interpreter, o mga babasahin na isinalin sa inyong wika o sa mga alternatibong format. Maaari rin kayong humiling ng mga pantulong na gamit at device sa aming mga pasilidad. Tawagan ang aming Center sa Pakikipag-ugnayan ng Serbisyo sa Miyembro para sa tulong, 24 na oras sa isang araw, 7 araw sa isang linggo (sarado sa mga pista opisyal).

- Medi-Cal: **1-855-839-7613** (TTY **711**)
- Lahat ng iba pa: **1-800-464-4000** (TTY **711**)

Thai: มีบริการช่วยเหลือด้านภาษาตลอด 24 ชั่วโมงทุกวันโดยไม่มีค่าใช้จ่าย โดยคุณสามารถขอใช้บริการล่าม บริการแปลเอกสารเป็นภาษาของคุณหรือในรูปแบบอื่นๆ ได้ คุณสามารถขออุปกรณ์และเครื่องมือช่วยเหลือได้ที่ศูนย์บริการของเราโดยโทรหาเราที่ศูนย์ติดต่อฝ่ายบริการสมาชิกของเราเพื่อขอความช่วยเหลือตลอด 24 ชั่วโมงทุกวัน (ปิดทำการในช่วงวันหยุด)

- Medi-Cal: **1-855-839-7613** (TTY **711**)
- ที่อื่นๆทั้งหมด: **1-800-464-4000** (TTY **711**)

Ukrainian: Послуги перекладача надаються безкоштовно, цілодобово, 7 днів на тиждень. Ви можете зробити запит на послуги усного перекладача або отримання матеріалів у перекладі мовою, якою володієте, чи в альтернативних форматах. Також ви можете зробити запит на отримання допоміжних засобів і пристроїв у закладах нашої мережі компаній. Телефонуйте в наш контактний центр для обслуговування клієнтів цілодобово, 7 днів на тиждень (крім святкових днів).

- Medi-Cal: **1-855-839-7613** (TTY **711**)
- Усі інші: **1-800-464-4000** (TTY **711**)

Vietnamese: Dịch vụ hỗ trợ ngôn nữ được cung cấp miễn phí cho quý vị 24 giờ mỗi ngày, 7 ngày trong tuần. Quý vị có thể yêu cầu dịch vụ thông dịch, hoặc tài liệu được dịch ra ngôn ngữ của quý vị hoặc nhiều hình thức khác. Quý vị cũng có thể yêu cầu các phương tiện trợ giúp và thiết bị bổ trợ tại các cơ sở của chúng tôi. Gọi cho Trung Tâm Liên Lạc ban Dịch Vụ Hội Viên của chúng tôi để được trợ giúp, 24 giờ mỗi ngày, 7 ngày trong tuần (trừ các ngày lễ).

- Medi-Cal: **1-855-839-7613** (TTY **711**)
- Mọi chương trình khác: **1-800-464-4000** (TTY **711**)

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EXHIBIT 54

to

Section §999.5(d)(5)(E)

Dental Quote

Bethel Lutheran Homes

Plan: SmartPremium Plus 100/80/50-1500 (80/70/50 OON) MAC

Policy effective date: 2025-04-01
Policy length: 24 months
Minimum employer contributions: 50.0% for employee and 0.0% for dependent(s).
Quote id: 459387
Plan quote id: 5115769

Plan pricing

Employee	Employee + spouse	Employee + children	Family
$23.30 monthly	$46.58 monthly	$54.16 monthly	$77.46 monthly

Why Beam Benefits

With Beam, you get simpler, smarter employee benefits. Our plans are easy to understand, easy to implement, and even easier to use with technology when you want it and helpful support from real people when you need it.

- **Digital-first, rapid implementation**
- **A national network of more than 500,000 access points.** **Find an in-network Dentist**
- **Self-service online administration management tool**

Plan coverage	In-network (PPO fee)	Out-of-network (PPO Fee)
Preventive & Diagnostic **Diagnostic and preventive**: exams, cleanings, fluoride, space maintainers, x-rays, and sealants	**100%**	**80%**
Basic **Emergency palliative treatment**: to temporarily relieve pain **Endodontics**: root canals **Minor restorative**: fillings **Oral surgery**: extractions and dental surgery **Periodontics**: to treat gum disease **Prosthetic maintenance**: relines and repairs to bridges and dentures	**80%** *After deductible*	**70%** *After deductible*
Major **Implants**: endosteal in lieu of a 2 or 3 unit bridge **Major restorative**: crowns, inlays, and onlays **Prosthetics**: bridges **Prosthodontics**: dentures	**50%** *After deductible*	**50%** *After deductible*

Plan maxes

Annual maximum is the most Beam will pay in a policy year, and applies to diagnostic & preventive, basic services, and major services. **Annual max based on Calendar Year.**

Annual max (In network)	**$1,500** /yr
Annual max (Out of network)	**$750** /yr

Plan deductible

The deductible is the dollar amount paid towards the cost of care before the insurance benefit begins to cover the cost of claims. The deductible is waived for diagnostic & preventive services.

Individual	**$50** /yr
Family	**$150** /yr

Submit a claim

Beam Insurance Administrators LLC	Electronic payer ID	NEA ID	Fax number	Phone number	Claim form accepted
PO Box 75372 Cincinnati, OH 45275	BEAM1	BEAM1	8446884821	(800) 648-1179	ADA form 2006 or later

Beam Dental PPO Standard coverages, as of August 1, 2019

Additional details

See any dentist
Our PPO plans allow you to see any licensed dentist. Savings in plan cost and member out of pocket expenses may be obtained by utilizing participating network dentists.

Beam has partnered with leading regional and national PPO network partners through Dental Benefit Providers (DBP), Careington, DenteMax Plus, Connection Dental, First Dental Health, Maverest, and Beam Direct networks to provide you with the most choices possible.

Rating requirements

Minimum employer contributions: 50.0% for employee and 0.0% for dependent(s).

Minimum employee enrollment: 2 employees

Maximum number of subgroups: 10

Rates are valid for 90 days after 02/10/25

Frequencies & limitations

Coverage rules

Code	Procedure	Covered Under	Frequency	Notes
D0120, D0150, D9310	Periodic oral exam, Comprehensive oral exam, Consultation	Diagnostic	Limit of 2 per 12 months	Limited to 2 oral evaluation procedures, in any combination (D0120, D0150, D9310) per 12 month period
D0150	Comprehensive oral exam	Diagnostic	One per 60 months per provider	
D0140	Limited oral exam	Diagnostic	Two per 12 months	Can do treatment on same day; no shared freq with D0120; shared freq with D0170
D0210	Radiographs-FMX	Diagnostic	One per 60 months	Shared freq with D0330; not reimbursed within 6 months of Bitewing Radiographs
D0220	Radiographs-periapical (first)	Diagnostic	Not covered if inclusive of a procedure with x-rays.	Bitewings and 7 or more periapicals will be reimbursed as FMX. Not covered on same day as D0210, D0330 or if considered a part of billed procedures
D0230	Radiographs-periapical (each additional)	Diagnostic	Not covered if inclusive of a procedure with x-rays.	Bitewings and 7 or more periapicals will be reimbursed as FMX. Not covered on same day as D0210, D0330 or if considered a part of billed procedures
D0270-D0274	Radiographs-bitewings	Diagnostic	Every 6 months	Can perform 6 months after D0210
D0330	Radiographs-panoramic	Diagnostic	One per 60 months	Shared freq with D0210
D1110	Prophylaxis	Preventive	Two per benefit period	Three per 12 months if pregnant 2nd/3rd trimester, four per 12 months if diabetic (N, V); not covered within 3 months of D4910
D1206, D1208	Fluoride	Preventive	One per 12 months	Covered under age 16
D1351, D1352	Sealants, Resins	Preventive	One per 36 months, per tooth	Covered under age 16, 1st & 2nd permanent molars
D2140-D2161	Fillings	Minor Restorative	One per 24 months, per tooth	Multiple restorations on one surface are payable as one surface. Multiple surfaces on a single tooth will not be paid as separate restorations.
D2330-D2394	Fillings	Minor Restorative	One per 24 months, per tooth	Multiple restorations on one surface are payable as one surface. Multiple surfaces on a single tooth will not be paid as separate restorations. Posterior composites covered.
D2740, D2750 ...	Crowns (N,X,A)	Major	One per 60 months, paid on seat date; seat date required	See * note below for details
D2950	Core Build-up (X)	Major	One per 60 months	See * note below for details
D4341-D4342	Periodontal scaling and root planing (N, P, X)	Periodontics	One per 24 months, per quadrant	Can perform all 4 quads in one day
D4910	Periodontal maintenance (H)	Periodontics	Two per year unless pregnant (3) or diabetes (4)	After peridontal treatment; can be alternated with D1110 for one per three months
D6010	Endosteal Implants (N,M,X2)	Major	One per lifetime	In lieu of a single tooth replacement when a 2 or 3 unit bridge has been approved for coverage when adjacent teeth are not in need of crowns on their own merit; if there are no additional teeth missing throughout the arch. Alternate benefit of a partial denture will be considered if criteria is not met.

Not covered: D0350, D0364, D0470, D1330, D2962, D3110, D3120, D8093, D9230, D9248
*Exclusions include, but are not limited to: correction of attrition, abrasion, erosion, or abfraction; for teeth that are not broken down by extensive decay or accidental injury; to restore teeth with microfractures fracture lines, undermined cusps, or existing large restorations without overt pathology.

Frequently asked questions

Continuation of service?	Covered starting on patient's effective date
Continuation of benefits?	Earlier effective date is primary
Frequency of ortho payments?	Monthly – submit claims for on-going treatment
Are prior extractions covered?	Yes – no missing tooth clause
Timely Filing limit?	12 months from date of service unless otherwise specified by state law. Please refer to your Certificate
Is pre-authorization mandatory?	No – but estimates recommended for $300+ services

N = Narrative of medical necessity
P = Perio charting
X = Labeled & dated, pre-op x-rays
X2 = Labeled & dated, pre-op and post op x-rays
H = Periodontal history
A = date of prior insertion of existing crown
M = panoramic x-ray or FMX (if available), all missing teeth
V = Verification from physician (if pregnant requires due date)

Disclaimer

This quote is not a complete description of the insurance coverage. Controlling provisions are provided in the policy, and this quote does not modify those provisions or the insurance in any way. This is not a binding contract. A certificate of coverage will be made available to you that describes the benefits in greater details. Should there be a difference between this quote and the contract, the contract will govern.

Unless otherwise requested, the producer that you designate as your broker of record will receive commission as a percentage of paid premium for the insurance policies included in this quote. The producer may also qualify for bonuses based on new policies sold and/or retention of existing policies within a specific calendar year. This compensation may vary on a number of factors, including the volume and/or profitability of the insurance contracts that the producer places with Beam Insurance Services LLC. Any bonuses paid are not directly charged to the insurance policies included in this quote and do not have a direct impact on your premium rate. You may obtain information about the compensation expected to be received by the producer by requesting such information from your broker of record.

Dental insurance product underwritten by National Guardian Life Insurance Company (NGL), Madison, WI, marketed by Beam Insurance Services LLC (Beam Benefits Insurance Services LLC, in CA). Dental policy form number NDNGRP 2020. Dental product underwritten by Nationwide Life Insurance Company, Columbus, OH in DE, ID, LA, NC, NH, NM, NY, OH, TX, and UT. Dental coverage applicable to policy form GDTL AO L20, or state equivalent. Dental product administered by Beam Insurance Administrators LLC (Beam Dental Insurance Administrators LLC, in Texas). Not all Products Available in All States. Limitations and exclusions apply.

THIS IS AN EXCEPTED BENEFITS POLICY. IT PROVIDES COVERAGE ONLY FOR THE LIMITED BENEFITS OR SERVICES SPECIFIED IN THE POLICY.

Two life groups made up of only a husband-wife, domestic partners or same-sex couple are not eligible for coverage.

National Guardian Life Insurance Company, Madison, WI, is not affiliated with The Guardian Life Insurance Company of America, a.k.a. The Guardian, or Guardian Life.

Nationwide and Beam Insurance Services LLC are separate and non-affiliated companies.

National Guardian Life Insurance Company, Two East Gilman, Madison, Wisconsin 53703

Nationwide Life Insurance Company, One Nationwide Plaza, Columbus, OH 43215

EXHIBIT 55

to

Section §999.5(d)(5)(E)

Vision Quote

Bethel Lutheran Homes

Plan: VSP® Choice Plan #6

Policy effective date: 2025-04-01
Policy length: 12 months
Minimum employer contributions: 50.0% for employee and 0.0% for dependent(s).
Contract length: 24 months
Quote id: 459387
Plan quote id: 2669048

Plan pricing

Employee	Employee + spouse	Employee + children	Family
$8.70 monthly	$18.34 monthly	$18.67 monthly	$30.38 monthly

Frequency

Exam every	12 months
Lenses every	12 months
Frames every	12 months
Contacts (instead of glasses)	12 months

Co-payments

Exam	$10
Materials	$25
Contact lens fitting & evaluation	15% discount (not to exceed $60)

In-network allowances

Retail frame value[1,2]	$130 / 20% savings on amount over allowance
Elective contact lens materials	$130
Covered lens enhancements	Polycarbonate for Children

Value added programs

Diabetic Eyecare Plus Program[SM]	Included
Low vision	Included
Hearing aid discounts	Included
Health-focused care	Included
Diabetic exam reminder letters	Included

Out-of-network allowances

Examination, up to	$45
Single vision lenses, up to	$30
Bifocal/progressive lenses, up to	$50
Trifocal lenses, up to	$65
Lenticular lenses, up to	$100
Frames, up to	$70
Elective contact lens materials and fitting/evaluation, up to	$105
Necessary contact lenses, up to	$210

Extra discounts & savings[2]

Lens enhancements	Average savings of 30% on other lens enhancements
Additional pair of glasses or sunglasses	20% savings on unlimited additional pairs of prescription or non-prescription glasses/sunglasses, including lens enhancements, from a VSP provider within 12 months of your last WellVision Exam®.
Laser vision correction (lvc)	15% discount avg.

1. Coverage with a retail chain may be different or does not apply.
2. Added value services are additional benefits offered by VSP and not included in the insurance benefit plan.

This quote is not a complete description of the insurance coverage. Controlling provisions are provided in the policy, and this quote does not modify those provisions or the insurance in any way. This is not a binding contract. A certificate of coverage will be made available to you that describes the benefits in greater details. Should there be a difference between this quote and the contract, the contract will govern.

Unless otherwise requested, the producer that you designate as your broker of record will receive commission as a percentage of paid premium for the insurance policies included in this quote. The producer may also qualify for bonuses based on new policies sold and/or retention of existing policies within a specific calendar year. This compensation may vary on a number of factors, including the volume and/or profitability of the insurance contracts that the producer places with Beam Insurance Services LLC. Any bonuses paid are not directly charged to the insurance policies included in this quote and do not have a direct impact on your premium rate. You may obtain information about the compensation expected to be received by the producer by requesting such information from your broker of record.

Vision insurance product underwritten by National Guardian Life Insurance Company (NGL), Madison, WI, marketed by Beam Insurance Services LLC (Beam Benefits Insurance Services LLC, in CA). Policy form number NVIGRP 2020. Vision product underwritten by Nationwide Life Insurance Company, Columbus, OH in DE, ID, LA, NC, NH, NM, NV, NY, OH, TX, and UT. Vision coverage applicable to policy form GVIS AO L20, or state equivalent. Vision insurance products underwritten by Vision Service Plan (VSP) in WA. Not all products available in all states. Vision product administered by Vision Service Plan Insurance Company. VSP is a registered trademark of Vision Service Plan.

THIS IS AN EXCEPTED BENEFITS POLICY. IT PROVIDES COVERAGE ONLY FOR THE LIMITED BENEFITS OR SERVICES SPECIFIED IN THE POLICY.

VSP, VSP Choice Plan, and WellVision Exam are registered trademarks and Diabetic Eyecare Plus Program is a service mark of Vision Service Plan. All other brands or marks are the property of their respective owners. ©2025 Vision Service Plan. All rights reserved.

Two life groups made up of only a husband-wife, domestic partners or same-sex couple are not eligible for coverage.

National Guardian Life Insurance Company, Madison, WI, is not affiliated with The Guardian Life Insurance Company of America, a.k.a. The Guardian, or Guardian Life. VSP is a registered trademark of Vision Service Plan.

Nationwide and Beam Insurance Services LLC are separate and non-affiliated companies.

National Guardian Life Insurance Company, Two East Gilman, Madison, Wisconsin 53703

Nationwide Life Insurance Company, One Nationwide Plaza, Columbus, OH 43215

Vision Service Plan Insurance Company, 3333 Quality Drive Rancho Cordova, CA 95670

EXHIBIT 56

to

Section §999.5(d)(5)(E)

Where Tradition, Faith, & Value Unite.

Bethel Lutheran Home is offering Wishbone to employees.

Nobody wants to imagine their pet getting sick or injured - but when it comes to your pet's health, it's best to expect the unexpected.

Wishbone is accepted at any vet in the U.S., including emergency hospitals. Our simple online claims process means you get your money back fast, whether it's for routine care or an accident.

Protecting your pet's health and your finances has never been easier!

AVAILABLE WISHBONE PLANS

Wishbone offers different plan options to fit your budget. Enroll in both for maximum benefits.

Accident & Illness Plan

For the unexpected

- 80% reimbursement
- $250 deductible
- $10,000 annual limit
- Includes 24/7 pet telehealth

Rates based on your pet's age, breed & zip code.

Wellness Plan

For regular routine visits

ESSENTIAL PLAN	PREMIUM PLAN
Up to a $300 value	Up to a $575 value
$14/month	$25/month

Reimbursements are based on a schedule of benefits outlined during enrollment

Get a quote & enroll at **www.wishboneinsurance.com/bethellutheran**

Wishbone Pet Insurance is a pet health insurance program offered by Pet Assure Corp., dba Pet Benefit Solutions, a licensed agency (NJ License Number 1677880). Insurance coverage is administered by Pet Assure Corp., dba Pet Benefit Solutions or Norse Specialty Insurance Company, Inc., and underwritten by Everspan Insurance Company, Providence Washington Insurance Company, Trisura Insurance Company, Clear Blue Insurance Company, or Clear Blue Specialty Insurance Company. Please visit https://www.wishboneinsurance.com/terms-and-conditions for more information. Wishbone's wellness plans are not insurance and are administered by Pet Benefit Solutions. WBPS-EE-BTH-B-081624

EXHIBIT 57

to

Section §999.5(d)(5)(E)

Bethel Lutheran Home Inc
SECTION 125 PREMIUM ONLY PLAN
SUMMARY PLAN DESCRIPTION (SPD)

EFFECTIVE YEAR OF PLAN April 01, 2025

INTRODUCTION

Bethel Lutheran Home Inc (the "Company") maintains the Bethel Lutheran Home Inc Section 125 Premium Only Plan (the "Plan") for the benefit of eligible employees. The Plan is a "cafeteria plan" which offers the option of paying for qualified benefits on a pre-tax basis. This can result in significant savings.

This description summarizes the principal terms of the Plan in understandable terms so you can make informed decisions. It does not purport to be the complete Plan. Please read it carefully and keep it in a safe place for reference. A copy of the Plan document is available at the office of the Company for your inspection. In case of any conflict between the contents of the Plan and this summary, the provisions of the Plan control.

Benefits are provided separately by the individual benefit plan(s) that provide the optional benefits. Separate summaries or summary plan description(s) describes the benefits provided by the individual benefit plan(s).

ENROLLMENT AND ELIGIBILITY

Who is Eligible

All individuals, other than those excluded below, who are classified as employees and satisfy the eligibility criteria for any optional benefits offered by the Company which may be paid for on a pre-tax basis under this Plan. Individuals classified by the Company as independent contractors, consultants, leased employees, 2% shareholders of an S-corporation, self-employed individuals, and direct family members of the above mentioned are not "employees" under the Plan. Any determination of an individual's status as an employee will be made solely by the Company without regard to whether any determination by an agency, governmental or otherwise, or court concludes that such classification or characterization was in error.

Enrollment

Participation in the Plan for a period of coverage on a pre-tax basis is automatic unless you complete an election form declining such participation. A period of coverage means the Plan Year or, if you become an employee during a Plan Year, the portion of the Plan Year during which you are a Participant. You must complete and return the benefit election form to the Administrator by the date specified by the Administrator. If you fail to complete an election form by the prescribed time, you will be deemed to have elected to receive benefits under the Plan for that plan year (the calendar year) on a pre-tax basis. In order to receive benefits on an after-tax basis you must return the election form.

Leaves of Absence

A Participant who is on an unpaid leave of absence under FMLA, if applicable, for a period of more than thirty (30) days, may, at his option, continue any or all benefits under the Plan so long as he continues to make required premium payments with after-tax dollars. A Participant who is on any paid leave of absence must continue any and all benefits elected under this Plan and the same amount of contributions for those benefits will continue to be deducted from the Participant's paychecks during such absence.

Change in Elections

Once you elect coverage under this Plan, you may not change your coverage until the beginning of the next Plan year, unless coverage under the applicable benefit plan is significantly curtailed or ceases or unless you experience a "change in family status." If coverage under the applicable benefit plan is significantly curtailed or ceases, you may revoke your election under the applicable benefit plan and make a new election for the remaining period of coverage within 30 days (31 days if required by state law) after you receive notification of the curtailment of benefits from the Administrator. However, if the cost of the applicable benefit plans changes, you will not be entitled to revoke your election to receive such benefits and your contributions will be automatically adjusted to reflect the change in cost. If an increase in cost is considered a "significant cost change", you may be allowed to make changes in that plans elections such as revoking your election to participate. If you experience a change in family status, you may modify your coverage under the Plan, consistent in family status. The following events are considered "changes in family status" for purposes of the applicable benefit plan:

- Your marriage;
- Your divorce, legal separation or annulment of your marriage;
- The death of your spouse or a dependent;
- The birth, adoption or placement for adoption of a child;
- Your dependent satisfies (or ceases to satisfy) dependent eligibility requirement under an applicable benefit plan of the Company;
- A change in coverage under another employer's plan for your spouse or dependent;
- The taking of or return from an unpaid leave of absence by you, your spouse or a dependent;
- The change in the place of residence or work of you, your spouse or a dependent;
- The change in the schooling or status of your spouse or a dependent for Plan purposes;
- The issuance of a judgment, decree or order resulting from a divorce, legal separation, annulment or change in legal custody (including a qualified medical child support order) that requires health coverage for a child either by you or your former spouse, but only if the event affects your need to be reimbursed for medical expenses on a pre-tax basis;
- The entitlement (or cessation of entitlement) to Medicare or Medicaid of you, your spouse or your dependent;
- A change in employment status from a position in which you were reasonably expected to work at least 30 hours per week to a position in which you are reasonably expected to work less than 30 hours per week together with your expected enrollment in other group health coverage.
- An election of coverage under a qualified health plan in a marketplace during a special enrollment period or a marketplace's annual open enrollment; or
- The open enrollment period for coverage under the Participant's spouse's plan or Participant's dependent's plan occurs while the Participant's elections are in effect.

To revoke an existing election and make a new election because of a change in family status, you must complete and deliver a new election form within thirty (30) days after the change in family status. The new coverage will generally be effective only prospectively.

IRS Notice 2022-41, expands the application of the change-in-status rules for health coverage under a section 125 cafeteria plan. This notice addresses the situation in which, during a Plan Year, a participant may wish to revoke the employee's election under the cafeteria plan for spousal or family coverage under a group health plan, in order to allow one or more family members to enroll in a Qualified Health Plan through a Health Insurance Exchange in the individual market. Note that this is not permitted for Flexible Spending Arrangements. Under this notice, the employee will be able to opt out of family coverage and into self-only coverage (or

family coverage including one or more already-covered related individuals) under that health plan during a period of coverage. Certain conditions need to be met to do this.

Period of Coverage

The period of coverage under this Plan with respect to a Plan year will end the earlier of:

a. The date an Employee ceases to be an Employee;
b. The date the Employee fails to meet the eligibility requirements for the Plan; or
c. The date on which the Plan terminates.

Coverage periods under the benefit plans listed in Appendix A will be controlled solely by the individual benefit plan(s). You should consult the summaries or summary plan descriptions for the individual benefit plan(s) to determine the applicable coverage periods for the individual benefit plan(s).

PAYING FOR YOUR BENEFITS

You may acquire benefits under the Plan with pre-tax employee contributions. The pre-tax employee contributions are that portion of your compensation that you elect to apply to purchase benefits, rather than receive in cash. Pre-tax employee contributions are not subject to withholding for federal income or FICA taxes. Consequently, the amount withheld for taxes is reduced and employees who participate will, in most instances, see their take home pay increase. Here is an example of how it works:

> Your gross pay for a pay period is $1,000 and you are having $100 withheld to pay for benefits under the Plan. Currently, your withholding taxes are calculated based on $1,000. By applying pre-tax employee contributions to purchase benefits, your benefit costs are deducted first so that your taxes are computed on only $900. Less tax is withheld and the savings are yours.

Setting money aside as pre-tax employee contributions may mean a reduction in your Social Security benefits upon retirement or disability. However, the reduction most likely would be small.

AVAILABLE BENEFITS

Benefits

Under the applicable benefit plans offered by the Company, you are entitled to benefits for you and, if you so elect and the benefit plan provides family benefits, for your eligible family members. When you elect coverage under a benefit plan, you may pay your required contributions through this Plan on a pre-tax basis. The contributions you pay for such coverage will not be subject to federal or state income tax or FICA tax. You pay the applicable contribution for the level or type of coverage (employee-only, employee and spouse, employee and children or family) you select. If the required contributions change, your pre-tax employee contributions are automatically adjusted to reflect such change. .

APPENDIX A & ADDITIONAL INFORMATION

Name of Plan:	Bethel Lutheran Home Inc Section 125 Premium Only Plan
Purpose of Plan:	The Plan allows employees to pay for coverage under eligible benefit plans sponsored by Bethel Lutheran Home Inc on a pre-tax basis.
Effective Date:	April 01, 2025.
Sponsoring Employer:	Bethel Lutheran Home Inc
Sponsoring Employer's EIN:	94-1201187
Adopting Employer:	
Adopting Employer's EIN:	
Administrator:	The Sponsoring Employer is the Administrator, responsible for the administration of the Plan and the agent for service of legal process. The Administrator has total discretion to determine the eligibility of employees to participate in the Plan, interpret the provisions of the Plan and establish rules and regulations for its operation
Service of Legal Process:	Bethel Lutheran Home Inc HR Department
Plan Year:	April 01 - March 31
Funding:	The Company is not obligated to create a fund or segregate any assets to pay benefits under this Plan. The Plan shall not create any right on behalf of any Participant to any specific assets of the Company or in any way be construed so that the obligation to pay amounts under this Plan is secured or funded. All benefits payable under this Plan are nontransferable and non-assignable and any effort by a Participant to assign these benefits to any person shall be void.
Employees' Rights	Employees' rights to benefits under this Plan are intended to be legally enforceable, but neither the establishment of this Plan nor any amendment thereof will be construed as granting to any other person any legal or equitable right against the Company. This Plan shall be maintained for the exclusive benefit of employees.
Amendment:	The Plan may be amended or terminated by the Company, in whole or in part, at its discretion at any time.

Bethel Lutheran Home Inc

SECTION 125 PREMIUM ONLY PLAN (the "Plan")

AUTOMATIC ENROLLMENT NOTICE

Pursuant to Section 125 of the Internal Revenue Code of 1986, the Employer will withhold the employee required contribution to the employer's applicable benefit plans during the Plan year on a pre-tax basis.

BENEFITS

Only benefits allowable under the Premium Only Plan provisions will qualify.

DURATION OF AGREEMENT

This agreement will remain in effect for the remainder of the Plan year, and will automatically renew each year thereafter unless a written request from you is presented to the employer, or if the employer ceases to provide the benefits elected by the Employee.

LIMITATIONS &INTENT

Nothing in this agreement changes the nature of your employment relationship. The sole purpose of this agreement is to exchange your cash compensation for the elected benefit(s) offered by the employer. This agreement is intended to comply with Section 125 of the Internal Revenue Code of 1986, as amended and any other applicable section of the Internal Revenue Code.

Your Enrollment in the Plan is Automatic.

No Signature Necessary, Sign ONLY if you are DECLINING TO PARTICIPATE in the Premium Only Plan.

Should you decide to pay more for your portion of the group insurance by using after-tax dollars, you may decline participation in the Plan by signing the following and presenting it to the employer.

I understand that participation in the Plan will allow me to save money by having my required contribution to applicable benefit plan coverage withheld on a pre-tax basis. However, I do not wish to participate in the Plan and will pay my portion of the premium using after-tax dollars.

_____ _____

Signature Date

EXHIBIT 58

To

Section §999.5(d)(5)(E)

Submitted Confidentially Under Separate Cover

Title 11. California Code of Regulations. § 999.5(d)(5)(F)

For each health facility that is the subject of the agreement or transaction, all existing documents setting forth any guarantees made by any entity that would be taking over operation or control of the health facilities subject to the transaction relating to employee job security and retraining, or the continuation of current staffing levels and policies, employee wages, salaries, benefits, working conditions and employment protections.

Bethel Skilled Care, LLC, has committed to continuing the current staffing levels and policies, employee wages, salaries, benefits, working conditions and employment protections post-closing for at least 60 days. See Section 3 of the Second Amendment to Agreement to Purchase and Sale Agreement attached to Section § 999.5(d)(1)(B). 2280 Bethel Skilled Care, LLC, has no intention to reduce the capacity of nursing home beds at the SNF. Bethel Skilled Care, LLC, will continue to provide services to Medicare and Medicaid Beneficiaries. See Section 4 of the Second Amendment to Agreement to Purchase and Sale Agreement.

Title 11. California Code of Regulations. § 999.5(d)(5)(G)

If the transaction will have any impact on reproductive healthcare services provided by any facility that is the subject of transaction, or any impact on the availability or accessibility of reproductive healthcare services, a description of all reproductive healthcare services provided in the last five years by each health facility that is the subject of the transaction.

Applicant does not provide any reproductive services.

Title 11. California Code of Regulations. § 999.5(d)(5)(H)

Statement describing all effects that the proposed agreement or transaction may have on healthcare services provided by the facility including, but not limited to, any changes in the types or levels of medical services that may be provided at the facility and a statement of how the proposed transaction may affect the availability and accessibility of healthcare in the affected communities

Applicant anticipates that the proposed transaction will not adversely affect the delivery, availability, or accessibility of health care services to the community served by the skilled nursing facility. SNF programs and services will not be reduced as a result of the proposed transaction. To the contrary, the sale to JERICHO will benefit the SNF and the residents it serves to the extent that JERICHO will be better able to serve the Selma community for the reasons stated in Section (1)(C).

Title 11. California Code of Regulations. § 999.5(d)(5)(l)

Description and copy of all current contracts between the applicant and the city in which the applicant is located and current contracts between the applicant and the county in which the applicant is located for each health facility subject to the transaction

Applicant has no contracts with the City of Selma or Fresno County in connection with the operation of the SNF.

Title 11, California Code of Regulations, § 999.5(d)(5)(J)

Description of compliance with the Alfred E. Alquist Hospital Facilities Seismic Safety Act of 1983, as amended by the California Hospital Facilities Seismic Safety Act.

Not applicable. The facility in question is a skilled nursing facility, not general acute care hospital, and is not the subject of the above-referenced laws.

Title 11, California Code of Regulations, § 999.5(d)(5)(K)

A description of each measure proposed by the applicant to mitigate or eliminate any significant adverse effect on the availability or accessibility of healthcare services to the affected communities by the transaction

Please see Section (5)(H) above. The parties do not anticipate any adverse effect on the availability or accessibility of health care services resulting from the proposed sale. To the contrary, the proposed affiliation should yield net benefits to the Selma community as described in Section (5)(H).

Title 11, California Code of Regulations, § 999.5(d)(6)(A)

If a Premerger Notification and Report Form is required to be submitted to the Federal Trade Commission under the Hart-Scott-Rodino Antitrust Improvement Act of 1976, a brief analysis of the possible effect of the transaction on each health facility that is subject to the transaction on competition and market share in any relevant product or geographic market.

This transaction is exempt from filing the premerger notification report form (the "Form") under the Hart-Scott-Rodino Antitrust Improvements Act of 1976, 15 U.S.C. § 18a (§ 7A of the Clayton Act or "the Act").

For the Form filing requirement to apply to a proposed merger or acquisition, the transaction must satisfy three tests: (1) the commerce test under Section 7A(a)(1) of the Act; (2) the size of transaction test under Section 7A(a)(2) of the Act; and (3) the size of person test under Section 7A(a)(2) of the Act. An acquisition will satisfy the commerce test if either of the parties to a transaction is engaged in commerce or in any activity affecting commerce. The size of transaction test will be met if, as a result of the transaction, the acquiring person will hold an aggregate amount of voting securities, non-corporate interests ("NCI") and assets of the acquired person valued at more than $50 million (as adjusted). The size of person test will be met if one of the parties has sales or assets of at least $100 million (as adjusted) and the other party has sales or assets of at least $10 million (as adjusted).

Here, the buyer and seller arguably fail the commerce test. As the court observed in *Mitchell v. Frank R. Howard Memorial Hospital*, 853 F.2d 762 (9th Cir. 1988), the commerce determination in health care is based "on a broad aggregate of factors including proximity of the facility to regional centers of commerce or to other states, treatment of significant numbers of out-of-state patients, purchase of equipment and supplies from interstate sources and interstate transfer of payment for patient care." The Applicant's SNF serves a largely local market, purchases most of its equipment and supplies from California vendors, and does not transfer residents out of state for care. Likewise, the buyer intends to serve a largely local market, purchase most or all of its equipment and supplies from California vendors, and not to transfer residents out of state for care. Furthermore, the buyer primarily serves the community of Selma, CA.

Irrespective of whether the sellers or buyers meet the commerce test, it is clear that they do not meet the other two tests. Under the size of transaction test, the buyer is not acquiring an aggregate amount of voting securities, non-corporate interests ("NCI") and assets of BETHEL valued at more than $101 million (as adjusted). The purchase price of BETHEL's SNF, its related assets and the fair market value determined by two valuations and a formal appraisal, is $8.5 million at most. Although the third (size of person) test does not apply because the size of the transaction does not exceed $101 million, the size of person test is likewise not met because the buyer does not have assets valued at $252.9 million as adjusted. Because the transaction fails two or three of the tests, and all three tests must be satisfied to trigger the filing of the Form, the parties are exempt from filing the Form.

Title 11, California Code of Regulations, § 999.5 (d)(6)(B)

Copy of the Premerger Notification and Report Form as filed with the Federal Trade Commission pursuant to the Hart-Scott-Rodino Antitrust Improvement Act of 1976

A Premerger Notification and Report Form is not required to be submitted to the Federal Trade Commission under the Hart-Scott-Rodino Antitrust Improvement Act of 1976.

Title 11, California Code of Regulations, § 999.5(d)(7)

Other Public Interest Factors

Bethel did not make the decision to sell the property lightly. Rather, it was made in consideration of the financial duress Bethel faces, and the desire to ensure that Selma and Fresno County residents have options when choosing assisted and independent living facilities.

As noted previously, Bethel is in dire financial straits. Though Bethel's Board of Directors considered many alternatives, the only option that would all Bethel to continue operating, and avoid bankruptcy or permanent facility closure, was a sale.

Though Bethel's financial predicament was a strong motivator to sell, Bethel also considered that fact that Bethel is one of only two independent and assisted living facilities in Selma, which also caters to nearby Kingsburg which does not have any similar facilities. Therefore, since Bethel's facility provides is such a necessary and vital resource to the Selma, Kingsburg, and Fresno County communities, Bethel also believes a sale is the best option to ensure those who are seeking out independent and assisted living facilities are able to access one nearby, with ties to their community.

Title 11, California Code of Regulations, § 999.5(d)(8)

Resolution of the board of directors of the applicant authorizing the filing of the written notice and a statement by the chair of the board that the contents of the written notice are true, accurate and complete

1. Attached to this Section 999.5(d)(8) as Exhibit 1 are the resolutions of the Board of Directors authorizing the filing of the written notice and statement by the Chair of the Board that the contents of the written notice are true, accurate and correct.

2. Attached to this Section 999.5(d)(8) as Exhibit 2 is a statement by the Chair of the Board of the Applicant that the contents of this written notice are true, accurate and complete.

EXHIBIT 1

to

Section §999.5(d)(8)

CORPORATE RESOLUTIONS OF BETHEL LUTHERAN HOME, INC.

WHEREAS, Bethel Lutheran Home, Inc., a California non-profit religious corporation (the "Corporation"), wishes to notify the California State Attorney General Rob Bonta (the "Attorney General") of the Corporation's intent to transfer the Corporation to Bayshire Central Valley LLC (the "Buyer") in accordance with Government Code section 999.5.

RESOLVED, that Laurel Jacobsen, the CEO of the Corporation, is authorized, in the name of and on behalf of the Corporation to file written notice to the Attorney General of the sale to Buyer (the "Notice").

RESOLVED FURTHER, that such Notice submitted on behalf of the Corporation and all such actions taken on behalf of the Corporation in connection with the matter described in the Notice are hereby ratified and approved.

RESOLVED FURTHER, that the CEO certifies that the contents of the Notice are true, accurate, and complete.

RESOLVED FURTHER, that the Attorney General is authorized to act upon and rely upon these resolutions in perpetuity.

RESOLVED FURTHER, that any resolution set forth herein is in addition to and does not supersede any resolutions previously given by the Corporation to the Attorney General.

RESOLVED FURTHER, that the CEO of the Corporation be, and hereby is, authorized and directed to prepare, execute and deliver to the Attorney General a copy of the foregoing resolutions.

RESOLVED FURTHER, that these Resolutions may be executed in any number of counterparts and each executed counterpart shall be deemed to be an original instrument, and such instrument shall be deemed to have been made, executed and delivered on the date as indicated herein, irrespective of the time or times when the same or any counterparts thereof may actually have been executed and delivered.

I do hereby certify that I am Terry Gardner, the Secretary of the Corporation, and I do hereby further certify that the foregoing is a true and correct copy of the resolutions of the Board of Directors of the Corporation adopted and approved by unanimous written consent. I do hereby further certify that such resolutions are presently in full force and effect and have not been amended or revoked.

IN WITNESS WHEREOF, this document is executed effective as of July 9, 2025.

Name of Corporation: Bethel Lutheran Home, Inc.
a California corporation

By _____
Name: Terry Gardner
Title: Secretary

EXHIBIT 2

to

Section §999.5(d)(8)

STATEMENT OF THE CHAIR OF BOARD OF DIRECTORS
OF
BETHEL LUTHERAN HOME, INC., A CALIFORNIA NON-PROFIT RELIGIOUS CORPORATION

I, Laurel Jacobsen, declare that I am the President (Chair) of the Board of Directors of Bethel Lutheran Home, Inc., a California non-profit religious corporation.

I have reviewed the Written Notice and Request for California Attorney General Consent to Sale of Assets.

I certify that the contents of the Written Notice and Request for California Attorney General Consent to Sale of Assets are true, accurate and correct.

Dated: July 9, 2025

Laurel Jacobsen

Title 11, California Code of Regulations, § 999.5(d)(9)

List of officers and directors of the transferee, the most recent audited financial statements, transferee's governance documents, and a description of the transferee's policies, procedures, and eligibility requirements for the provision of charity care.

1. Attached to this Section 999.5(d)(9) as Exhibit 1 is a list of the managers of 2280 DOCKERY Holdings LLC. It does not have officers and directors.

2. Attached to this Section 999.5(d)(9) as Exhibit 2 is a list of the managers of 2280 BETHEL SKILLED CARE LLC. It does not have officers and directors.

3. 2280 DOCKERY Holdings LLC has been recently created and does not yet have financial statements.

4. BETHEL SKILLED CARE LLC has been recently created and does not yet have financial statements.

5. Attached to this Section 999.5(d)(9) as Exhibit 3 is a copy of the Articles of Organization of 2280 DOCKERY Holdings LLC.

6. Attached to this Section 999.5(d)(9) as Exhibit 4 is a copy of the Articles of Organization of BETHEL SKILLED CARE LLC.

7.

8. Attached to this Section 999.5(d)(9) as Exhibit 5 is a copy of the Operating Agreement of 2280 DOCKERY Holdings LLC

9. Attached to this Section 999.5(d)(9) as Exhibit 6 is a copy of the Operating Agreement of BETHEL SKILLED CARE LLC.

10. 2280 DOCKERY Holdings LLC does not have a charitable care policy.

11. BETHEL SKILLED CARE LLC does not have a charitable care policy.

EXHIBIT 1

to

Section §999.5(d)(9)

BA20250845561

STATE OF CALIFORNIA
Office of the Secretary of State
STATEMENT OF INFORMATION
LIMITED LIABILITY COMPANY

California Secretary of State
1500 11th Street
Sacramento, California 95814
(916) 657-5448

For Office Use Only

-FILED-

File No.: BA20250845561

Date Filed: 4/25/2025

Entity Details

Limited Liability Company Name	2280 Dockery Holdings LLC
Entity No.	B20250065922
Formed In	CALIFORNIA

Street Address of Principal Office of LLC

Principal Address	2280 DOCKERY AVE SELMA, CA 93662

Mailing Address of LLC

Mailing Address	1817 AVENIDA DEL DIABLO ESCONDIDO, CA 92029
Attention	

Street Address of California Office of LLC

Street Address of California Office	None

Manager(s) or Member(s)

Manager or Member Name	Manager or Member Address
■ Scott B Kirby	1817 AVENIDA DEL DIABLO ESCONDIDO, CA 92029
■ Adam Salow	1817 AVENIDA DEL DIABLO ESCONDIDO, CA 92029
■ Benjamin Carter	1817 AVENIDA DEL DIABLO ESCONDIDO, CA 92029

Agent for Service of Process

California Registered Corporate Agent (1505)	NATIONAL REGISTERED AGENTS, INC. Registered Corporate 1505 Agent

Type of Business

Type of Business	Real estate holding company

Email Notifications

Opt-in Email Notifications	No, I do NOT want to receive entity notifications via email. I prefer notifications by USPS mail.

Chief Executive Officer (CEO)

CEO Name	CEO Address
None Entered	

Labor Judgment

No Manager or Member, as further defined by California Corporations Code section 17702.09(a)(8), has an outstanding final judgment issued by the Division of Labor Standards Enforcement or a court of law, for which no appeal is pending, for the violation of any wage order or provision of the Labor Code.

B3632-9868 04/25/2025 8:44 AM Received by California Secretary of State

Electronic Signature

☒ By signing, I affirm under penalty of perjury that the information herein is true and correct and that I am authorized by California law to sign.

Michelle Oh
Signature

04/25/2025
Date

B3632-9869 04/25/2025 8:44 AM Received by California Secretary of State

EXHIBIT 2

to

Section §999.5(d)(9)

BA20250845823

STATE OF CALIFORNIA
Office of the Secretary of State
STATEMENT OF INFORMATION
LIMITED LIABILITY COMPANY

California Secretary of State
1500 11th Street
Sacramento, California 95814
(916) 657-5448

For Office Use Only

-FILED-

File No.: BA20250845823
Date Filed: 4/25/2025

Entity Details

Limited Liability Company Name	Bethel Skilled Care LLC
Entity No.	B20250065931
Formed In	CALIFORNIA

Street Address of Principal Office of LLC

Principal Address	2280 DOCKERY AVE SELMA, CA 93662

Mailing Address of LLC

Mailing Address	1817 AVENIDA DEL DIABLO ESCONDIDO, CA 92029
Attention	

Street Address of California Office of LLC

Street Address of California Office	None

Manager(s) or Member(s)

Manager or Member Name	Manager or Member Address
■ Scott B. Kirby	1817 AVENIDA DEL DIABLO ESCONDIDO, CA 92029
■ Adam Salow	1817 AVENIDA DEL DIABLO ESCONDIDO, CA 92029
■ Benjamin Carter	1817 AVENIDA DEL DIABLO ESCONDIDO, CA 92029

Agent for Service of Process

California Registered Corporate Agent (1505)	NATIONAL REGISTERED AGENTS, INC. Registered Corporate 1505 Agent

Type of Business

Type of Business	Operating a healthcare facility

Email Notifications

Opt-in Email Notifications	No, I do NOT want to receive entity notifications via email. I prefer notifications by USPS mail.

Chief Executive Officer (CEO)

CEO Name	CEO Address
None Entered	

Labor Judgment

No Manager or Member, as further defined by California Corporations Code section 17702.09(a)(8), has an outstanding final judgment issued by the Division of Labor Standards Enforcement or a court of law, for which no appeal is pending, for the violation of any wage order or provision of the Labor Code.

B3633-0954 04/25/2025 9:24 AM Received by California Secretary of State

Electronic Signature

☒ By signing, I affirm under penalty of perjury that the information herein is true and correct and that I am authorized by California law to sign.

Michelle Oh	*04/25/2025*
Signature	Date

B3633-0955 04/25/2025 9:24 AM Received by California Secretary of State

EXHIBIT 3

to

Section §999.5(d)(9)

B20250065922

STATE OF CALIFORNIA
Office of the Secretary of State
ARTICLES OF ORGANIZATION
CA LIMITED LIABILITY COMPANY

California Secretary of State
1500 11th Street
Sacramento, California 95814
(916) 657-5448

For Office Use Only

-FILED-

File No.: B20250065922

Date Filed: 4/8/2025

Limited Liability Company Name Limited Liability Company Name	2280 Dockery Holdings LLC
Initial Street Address of Principal Office of LLC Principal Address	2280 DOCKERY AVE SELMA, CA 93662
Initial Mailing Address of LLC Mailing Address Attention	2280 DOCKERY AVE SELMA, CA 93662
Agent for Service of Process California Registered Corporate Agent (1505)	NATIONAL REGISTERED AGENTS, INC. Registered Corporate 1505 Agent
Purpose Statement The purpose of the limited liability company is to engage in any lawful act or activity for which a limited liability company may be organized under the California Revised Uniform Limited Liability Company Act.	
Management Structure The LLC will be managed by	More than One Manager
Additional information and signatures set forth on attached pages, if any, are incorporated herein by reference and made part of this filing.	
Electronic Signature ☒ By signing, I affirm under penalty of perjury that the information herein is true and correct and that I am authorized by California law to sign. *Scott Kirby* Organizer Signature	*04/08/2025* Date

Certificate Verification No.: 315799235 Date: 04/09/2025

B3589-5351 04/08/2025 1:18 PM Received by California Secretary of State

California Secretary of State

Business Programs Division
1500 11th Street, Sacramento, CA 95814

Request Type: Certified Copies
Entity Name: 2280 Dockery Holdings LLC
Formed In: CALIFORNIA
Entity No.: B20250065922
Entity Type: Limited Liability Company - CA

Issuance Date: 04/09/2025
Copies Requested: 1
Receipt No.: 009809605
Certificate No.: 315799235

Document Listing

Reference #	Date Filed	Filing Description	Number of Pages
B3589-5351	04/08/2025	Initial Filing	1

** **** ****** ******** End of list ******** ****** **** **

I, SHIRLEY N. WEBER, PH.D., California Secretary of State, do hereby certify on the Issuance Date, the attached document(s) referenced above are true and correct copies and were filed in this office on the date(s) indicated above.

IN WITNESS WHEREOF, I execute this certificate and affix the Great Seal of the State of California on April 09, 2025.

SHIRLEY N. WEBER, PH.D.
Secretary of State

To verify the issuance of this Certificate, use the Certifcate No. above with the Secretary of State Certification Verification Search available at bizfileOnline.sos.ca.gov.

EXHIBIT 4

to

Section §999.5(d)(9)

B20250065931

STATE OF CALIFORNIA
Office of the Secretary of State
ARTICLES OF ORGANIZATION
CA LIMITED LIABILITY COMPANY

California Secretary of State
1500 11th Street
Sacramento, California 95814
(916) 657-5448

For Office Use Only

-FILED-

File No.: B20250065931

Date Filed: 4/8/2025

Limited Liability Company Name Limited Liability Company Name	Bethel Skilled Care LLC
Initial Street Address of Principal Office of LLC Principal Address	2280 DOCKERY AVE SELMA, CA 93662
Initial Mailing Address of LLC Mailing Address	2280 DOCKERY AVE SELMA, CA 93662
Attention	
Agent for Service of Process California Registered Corporate Agent (1505)	NATIONAL REGISTERED AGENTS, INC. Registered Corporate 1505 Agent
Purpose Statement The purpose of the limited liability company is to engage in any lawful act or activity for which a limited liability company may be organized under the California Revised Uniform Limited Liability Company Act.	
Management Structure The LLC will be managed by	More than One Manager
Additional information and signatures set forth on attached pages, if any, are incorporated herein by reference and made part of this filing.	
Electronic Signature ☒ By signing, I affirm under penalty of perjury that the information herein is true and correct and that I am authorized by California law to sign.	
Scott Kirby Organizer Signature	*04/08/2025* Date

B3589-5352 04/08/2025 1:18 PM Received by California Secretary of State

Certificate Verification No.: 315808125 Date: 04/09/2025

California Secretary of State

Business Programs Division
1500 11th Street, Sacramento, CA 95814

Request Type: Certified Copies
Entity Name: Bethel Skilled Care LLC
Formed In: CALIFORNIA
Entity No.: B20250065931
Entity Type: Limited Liability Company - CA

Issuance Date: 04/09/2025
Copies Requested: 1
Receipt No.: 009809605
Certificate No.: 315808125

Document Listing

Reference #	Date Filed	Filing Description	Number of Pages
B3589-5352	04/08/2025	Initial Filing	1

** **** ****** ******** End of list ******** ****** **** **

I, SHIRLEY N. WEBER, PH.D., California Secretary of State, do hereby certify on the Issuance Date, the attached document(s) referenced above are true and correct copies and were filed in this office on the date(s) indicated above.

IN WITNESS WHEREOF, I execute this certificate and affix the Great Seal of the State of California on April 09, 2025.

SHIRLEY N. WEBER, PH.D.
Secretary of State

To verify the issuance of this Certificate, use the Certifcate No. above with the Secretary of State Certification Verification Search available at bizfileOnline.sos.ca.gov.

EXHIBIT 5

to

Section §999.5(d)(9)

OPERATING AGREEMENT FOR
2280 DOCKERY HOLDINGS LLC,
a California limited liability company

A. This Operating Agreement (this "Agreement") is entered into as of May 21, 2025 by the individuals listed on Exhibit "A" (each referred to individually as a "Member" and collectively, as the "Members").

B. The Members have formed a limited liability company under the California Revised Uniform Limited Liability Company Act. The Articles of Organization of the Company as filed with the California Secretary of State on April 8, 2025, are hereby adopted and approved by the Members.

C. The Members enter into this Agreement to provide for the governance of the Company and the conduct of its business, and to specify their relative rights and obligations.

NOW THEREFORE, the Members agree as follows:

ARTICLE I
DEFINITIONS

Capitalized terms used in this Agreement have the meanings specified in this Article I or elsewhere in this Agreement and when not so defined shall have the meanings set forth in Corporations Code §17701.02.

1.1 "Act" means the California Revised Uniform Limited Liability Company Act (Corporations Code §§17701.01-17713.13), including amendments from time to time.

1.2 "Additional Capital Shortfall" is defined in Section 3.3.

1.3 "Adjusted Capital Contribution" is defined in Section 4.6(a).

1.4 "Adjusted Capital Account Deficit" is defined in Section 4.3(a).

1.5 "Affiliate" of a Member or Manager means any Person directly or indirectly, through one or more intermediaries, controlling, controlled by, or under common control with the Member or Manager. The term "control" (including the terms "controlled by" and "under common control with") means the possession, direct or indirect, of the power to direct or cause the direction of the management and policies of a Person, whether through membership, ownership of voting securities, by contract, or otherwise.

1.6 "Agreement" means this operating agreement, as originally executed and as amended from time to time.

1.7 "Articles of Organization" is defined in Corporations Code §17701.02(b) as applied to this Company.

1.8 "Available Cash" means all net revenues from the Company's operations, including net

proceeds from all sales, refinancings, and other dispositions of Company property that the Manager(s), in the Manager(s)' sole discretion, deem in excess of the amount reasonably necessary for the operating requirements of the Company, including debt reduction and Reserves.

1.9 "Book Adjustments" means, for any item of Company property for a given fiscal year, adjustments with respect to Book Value for depreciation, cost recovery, or other amortization deduction or gain or loss computed in accordance with Treasury Regulation §1.704-1(b)(2)(iv)(g), including Book Depreciation.

1.10 "Book Depreciation" means, for any item of Company property for a given fiscal year, a percentage of depreciation or other cost recovery deduction allowable for federal income tax purposes for that item during that fiscal year equal to the result (expressed as a percentage) obtained by dividing (1) the Gross Asset Value of that item at the beginning of the fiscal year (or the acquisition date during the fiscal year) by (2) the federal adjusted tax basis of the item at the beginning of the fiscal year (or the acquisition date during the fiscal year). If the adjusted tax basis of an item is zero, the Manager(s) may determine Book Depreciation, provided that he or she does so in a reasonable and consistent manner.

1.11 "Capital Account" means, with respect to any Member, the account reflecting the capital interest of the Member in the Company, consisting of the Member's initial Capital Contribution maintained and adjusted in accordance with Section 3.5.

1.12 "Capital Contribution" means, with respect to any Member, the amount of money or services rendered or to be rendered, and the fair market value of any property contributed to the Company (net of liabilities secured by the contributed property that the Company is considered to assume or take "subject to" under Internal Revenue Code §752) in consideration of a Percentage Interest held by that Member. A Capital Contribution shall not be deemed a loan.

1.13 "Capital Event" means a sale or disposition of any of the Company's capital assets, the receipt of insurance and other proceeds on account of an involuntary conversion of Company property, the receipt of proceeds from a refinancing of Company property, or a similar event with respect to Company property or assets.

1.14 "Company" means the company named in Section 2.2.

1.15 "Company Minimum Gain" is defined in Section 4.3(b).

1.16 "Confidential Information" is defined in Section 10.2.

1.17 "Corporations Code" means the California Corporations Code.

1.18 "Defaulting Member" is defined in Section 3.3.

1.19 "Electronic transmission by the Company" and "electronic transmission to the Company" have the meanings set forth in Corporations Code §17701.02(i)(1)-(2).

1.20 "Encumber" means the act of creating or purporting to create an Encumbrance, whether or not perfected under applicable law.

1.21 "Encumbrance" means, with respect to any Membership Interest, or any part of it, a mortgage, pledge, security interest, lien, proxy coupled with an interest (other than as contemplated in this Agreement), option, or preferential right to purchase.

1.22 "Gross Asset Value" means, for any item of property of the Company, the item's adjusted basis for federal income tax purposes, except that:

(a) The initial Gross Asset Value of any item of property contributed by a contributing Member and the Company;

(b) The Gross Asset Value of any item of Company property shall be adjusted as of the following times: (i) the acquisition of an interest or additional interest in the Company by any new or existing Member in exchange for more than a de minimis Capital Contribution; (ii) the distribution of money or other property (other than a de minimis amount) by the Company to a Member as consideration for a Transferable Interest in the Company; and (iii) the liquidation of the Company within the meaning of Treasury Regulation §1.704-1(b)(2)(ii)(g); provided, however, that adjustments under clauses (i) and (ii) above shall be made only if the Members have determined that the Company must revalue its assets in accordance with Treasury Regulation §1.704-1(b)(2)(iv)(f);

(c) The Gross Asset Value of any Company asset distributed to any Member shall be the book value of that asset on the date of distribution; and

(d) The Gross Asset Value of Company assets shall be increased (or decreased) to reflect any adjustments to the adjusted tax basis of those assets under Internal Revenue Code §734(b) or §743(b), subject to the limitations imposed by Internal Revenue Code §755 and only to the extent that those adjustments are taken into account in determining Capital Accounts under Treasury Regulation §1.704-1(b)(2)(iv)(m), and if the Gross Asset Value of an asset has been determined or adjusted under paragraph (a), (b), or (d) of this Section 1.22, that Gross Asset Value shall thereafter be adjusted by the Book Adjustments, if any, taken into account for the asset for purposes of computing Profits and Losses.

1.23 "Initial Members" means those Persons whose names are set forth Exhibit "A" to this Agreement.

1.24 "Involuntary Transfer" means, with respect to any Membership Interest, or any part of it, any Transfer or Encumbrance, whether by operation of law, under court order, foreclosure of a security interest, execution of a judgment or other legal process, or otherwise, including a purported transfer to or from a trustee in bankruptcy, receiver, or assignee for the benefit of creditors.

1.25 "IRC" means the Internal Revenue Code of 1986, as amended, and any successor provision.

1.26 "Majority of Members" means a Member or Members whose Percentage Interests represent more than fifty percent (50%) of the Percentage Interests of all the Members.

1.27 "Manager" means the Person(s) named in Section 5.1 or any Person who from time to time succeeds any Person as a Manager and who, in either case, is serving at the relevant time as a Manager.

1.28 "Member" means an Initial Member or a Person who otherwise acquires a Membership Interest, as permitted under this Agreement, and who has not ceased to be a Member under Article VIII or for any other reason.

1.29 "Member Nonrecourse Debt" is defined in Section 4.3(c).

1.30 "Member Nonrecourse Debt Minimum Gain" is defined in Section 4.3(d).

1.31 "Member Nonrecourse Deductions" is defined in Section 4.3(e).

1.32 "Membership Interest" means a Member's entire interest and rights in the Company, collectively, including the Member's Transferable Interest, any right to Vote or participate in management, and any right to information concerning the business and affairs of the Company.

1.33 "Non-defaulting Member" is defined in Section 3.3.

1.34 "Nonrecourse Deductions" is defined in Section 4.3(f).

1.35 "Nonrecourse Liability" is defined in Section 4.3(g).

1.36 "Notice" means a notice in writing required or permitted under this Agreement. A notice shall be deemed given or sent when deposited, as certified mail or for overnight delivery, postage and fees prepaid, in the United States mails; when delivered to a nationally recognized courier for overnight delivery, charges prepaid or charged to the sender's account; when personally delivered to the recipient; when transmitted by electronic transmission by or to the Company (see §1.19); or when delivered to the home or office of a recipient in the care of a person whom the deliverer has reason to believe shall promptly communicate the notice to the recipient. Addresses for the purpose of giving notice are set forth in Exhibit "A."

(a) Any correctly addressed notice that is refused, unclaimed, or undeliverable because of an act or omission of the party to be notified shall be deemed effective as of the first date that the notice was refused, unclaimed, or deemed undeliverable by the postal authorities, messenger, or overnight delivery service.

(b) Any party may change its address, electronic mail address, or fax number by giving a Manager Notice of the change.

1.37 "Percent of the Members" means the specified total of Percentage Interests of all the Members.

1.38 "Percentage Interest" means a fraction, expressed as a percentage, the numerator of which is the total of a Member's Capital Account and the denominator of which is the total of all Capital Accounts of all Members; provided, however, that the Percentage Interest of each Member shall be automatically adjusted to 33.33% upon three (3) consecutive months of positive consolidated earnings before interest and taxes (EBIT).

1.39 "Person" means an individual, partnership, limited partnership, trust, estate, association, corporation, limited liability company, or other entity, whether domestic or foreign.

1.40 "Profits" and "Losses" are defined in Section 4.2.

1.41 "Proxy" means a written authorization signed or an electronic transmission authorized by a Member or the Member's attorney-in-fact giving another Person the power to exercise the voting rights of that Member. A Proxy may not be transmitted orally.

1.42 "Regulations," "Reg," or "Treasury Reg" means the income tax regulations promulgated by the United States Department of the Treasury and published in the Federal Register for the purpose of interpreting and applying the provisions of the Code, as those Regulations may be amended from time to time, including corresponding provisions of applicable successor regulations.

1.43 "Reserves" means the aggregate of reserve accounts that the Manager(s), in the Manager(s)' sole discretion, deem reasonably necessary to meet accrued or contingent liabilities of the Company, reasonably anticipated operating expenses, and working capital requirements.

1.44 "Successor in Interest" means a Transferee, a successor of a Person by merger or otherwise by operation of law, or a transferee of all or substantially all of the business or assets of a Person.

1.45 "Tax Item" means each item of income, gain, loss, deduction, or credit of the Company.

1.46 "Tax Matters Partner" means the Person designated as under Section 6.6.

1.47 "Transfer" means any sale, assignment, gift, Involuntary Transfer, Encumbrance, or other disposition of a Membership Interest or any part of a Membership Interest, directly or indirectly, other than an Encumbrance that is expressly permitted under this Agreement.

1.48 "Transferable Interest" means the right, as originally associated with a Person's capacity as a Member, to receive distributions from the Company in accordance with the terms of this Agreement, whether or not the Person remains a Member or continues to own any part of the right.

1.49 "Transferee" means a Person who has acquired a Member's Transferable Interest in the Company, by way of a Transfer in accordance with the terms of this Agreement, but who has not become a Member.

1.50 "Transferring Member" means a Member who by means of a Transfer has transferred a Transferable Interest in the Company to a Transferee.

1.51 "Triggering Event" is defined in Section 8.4.

1.52 "Vote" means a written consent or approval, a ballot cast at a meeting, or a voice vote.

1.53 "Voting Interest" means, with respect to a Member, the right to Vote or participate in management and any right to information concerning the business and affairs of the Company provided under the Act, except as limited by the provisions of this Agreement. A Member's Voting Interest shall be directly proportional to that Member's Percentage Interest.

1.54 "Writing" includes any form of recorded message capable of comprehension by ordinary visual means, and when used to describe communications between the Company and its

Members, "writing" shall include electronic transmissions by and to the Company as defined in Corporations Code §17701.02(i).

1.55 "Written" or "in writing" includes facsimile and other electronic communication authorized by the Corporations Code.

ARTICLE II
ARTICLES OF ORGANIZATION

2.1 The Articles of Organization were filed with the California Secretary of State on April 8, 2025; File Number B20250065922.

2.2 The name of the Company is 2280 Dockery Holdings LLC. The business of the Company may be conducted under that name, or, in compliance with applicable laws, any other name that the Manager(s) deem appropriate.

2.3 The principal executive office of the Company shall be at 1817 Avenida Del Diablo, Escondido, CA 92029 or any other place or places determined by the Manager(s) from time to time.

2.4 The initial agent for service of process on the Company shall be National Registered Agents Inc. The Manager(s) may from time to time change the Company's agent for service of process. If the agent ceases to act as such for any reason, the Manager(s) shall promptly designate a replacement agent and notify the Secretary of State of the change.

2.5 The Company shall engage in the business of any lawful act or activity for which a limited liability company may be organized under the Act.

2.6 The Members intend the Company to be a limited liability company under the Act, classified as a partnership/corporation for federal and state income taxes, to the maximum extent possible. The rights and liabilities of the Members and Manager(s) shall be determined under the Act and this Agreement. To the extent that the rights or obligations of any Member or Manager are different because of any provision of this Agreement than those rights and obligations would be in the absence of that provision, this Agreement shall control to the extent permitted by the Act. Neither the Manager(s) nor any Member shall take any action inconsistent with the express intent of the parties to this Agreement.

2.7 The term of existence of the Company shall commence on the date that the Articles of Organization are filed with the California Secretary of State, and shall continue until terminated by the provisions of this Agreement or as provided by law.

2.8 The names and addresses of the Initial Members are as set forth in Exhibit "A."

ARTICLE III
CAPITAL AND CAPITAL CONTRIBUTIONS

3.1 Each Member shall contribute capital to the Company in the form of money or property or services, as more particularly specified in Exhibit "A," which shall thereafter be deemed the Member's initial Capital Contribution. If a Member fails to make the initial Capital Contributions

specified in this Section within thirty (30) days after the effective date of this Agreement, that Member's entire Membership Interest shall terminate, and that Member shall indemnify and hold the Company and the other Members harmless from any loss, cost, or expense, including reasonable attorneys' fees caused by the failure to make the initial Capital Contribution.

3.2 The Manager(s) may determine from time to time that further Capital Contributions in addition to the Members' initial Capital Contributions are needed to enable the Company to conduct its business. On making such a determination, the Manager(s) shall give notice to all Members in writing at least 30 days before the date on which the additional Capital Contribution is due. The Notice shall set forth the amount of additional Capital Contribution needed, the purpose for which it is needed, and the date by which the Members shall contribute. Each Member shall be required to make an additional Capital Contribution in an amount that bears the same proportion to the total additional Capital Contribution that the Member's Capital Account balance bears to the total Capital Account balances of all Members. No Member may voluntarily make any additional Capital Contribution.

3.3 If a Member fails to make an additional Capital Contribution required under Section 3.2 of this Agreement on its due date as specified in the Notice (a "Defaulting Member"), the Manager(s) shall within five (5) days after that failure notify each other Member (a "Non- defaulting Member") in writing of the total amount of Capital Contributions not made by the Defaulting Member (the "Additional Capital Shortfall"), and shall specify a number of days within which each Non-defaulting Member may make an additional Capital Contribution, which shall not be less than an amount bearing the same ratio to the amount of Additional Capital Shortfall as the Non-defaulting Member's Capital Account balance bears to the total Capital Accounts of all Non- defaulting Members. If the total amount of Additional Capital Shortfall is not so contributed, the Manager(s) may use any reasonable method to provide Members the opportunity to make additional Capital Contributions, until the Additional Capital Shortfall is as fully contributed as possible. Following the Non-defaulting Members' making of those additional Capital Contributions, each Member's Percentage Interest shall be adjusted to reflect the ratio that the Member's Capital Account bears to the total Capital Accounts of all Members.

3.4 Upon the failure of the Defaulting Member to make a required additional Capital Contribution the Defaulting Member shall indemnify and hold the Company and the Non- defaulting Members harmless from any loss, cost, or expense, including reasonable attorneys' fees caused by the failure to make the additional Capital Contribution. A Defaulting Member's dissolution or inability to make a required contribution does not relieve that Defaulting Member of its contribution obligations.

3.5 An individual Capital Account for each Member shall be maintained in accordance with the requirements of Treasury Regulation §1.704-1(b)(2)(iv) and adjusted in accordance with the following provisions:

(a) A Member's Capital Account shall be increased by that Member's Capital Contributions, that Member's share of Profits, and any items in the nature of income or gain that are specially allocated to that Member under Section 4.4.

(b) A Member's Capital Account shall be increased by the amount of any Company liabilities assumed by that Member subject to and in accordance with the provisions of Treasury Regulation §1.704-1(b)(2)(iv)(c).

(c) A Member's Capital Account shall be decreased by (i) the amount of cash distributed to that Member; (ii) the fair market value of any property of the Company so distributed, net of liabilities secured by the distributed property that the distributee Member is considered to assume or to be subject to under Internal Revenue Code §752; and (iii) the amount of any items in the nature of expenses or losses that are specially allocated to that Member under Section 4.4.

(d) A Member's Capital Account shall be reduced by the Member's share of any expenditures of the Company described in Internal Revenue Code §705(a)(2)(B) or that are treated as section 705(a)(2)(B) expenditures under Treasury Regulation §1.704-1(b)(2)(iv)(i) (including syndication expenses and losses nondeductible under Internal Revenue Code §267(a)(1) or §707(b)).

(e) If any Transferable Interest (or portion thereof) is Transferred, the transferee of the Transferable Interest or portion shall succeed to the transferor's Capital Account corresponding to the interest or portion.

(f) The principal amount of a promissory note that is not readily traded on an established securities market and that is contributed to the Company by the maker of the note shall not be included in the Capital Account of any Person until the Company makes a taxable disposition of the note or until (and to the extent) principal payments are made on the note, all in accordance with Treasury Regulation §1.704-1(b)(2)(iv)(d)(2).

(g) Each Member's Capital Account shall be increased or decreased as necessary to reflect a revaluation of the Company's property assets in accordance with the requirements of Treasury Regulations §§1.704-1(b)(2)(iv)(f) and 1.704-1(b)(2)(iv)(g), including the special rules under Treasury Regulation §1.701-1(b)(4), as applicable. The provisions of this Agreement respecting the maintenance of Capital Accounts are intended to comply with Treasury Regulation §1.704-1(b) and shall be interpreted and applied in a manner consistent with those Regulations.

3.6 A Member shall not be entitled to withdraw any part of the Member's Capital Contribution or to receive any distributions, whether of money or property, from the Company except as provided in this Agreement.

3.7 No interest shall be paid on Capital Contributions or on the balance of a Member's Capital Account.

3.8 A Member shall not be bound by, or be personally liable for, the expenses, liabilities, or obligations of the Company except as otherwise provided in the Act or in this Agreement.

3.9 Except as otherwise expressly provided in this Agreement, no Member shall have priority over any other Member with respect to the return of a Capital Contribution or distributions or allocations of income, gain, losses, deductions, credits, or items thereof.

ARTICLE IV
ALLOCATIONS AND DISTRIBUTIONS

4.1 The Profits and Losses of the Company and all items of Company income, gain, loss, deduction, or credit shall be allocated, for Company book purposes and for tax purposes, to each Member in accordance with that Member's Percentage Interest.

4.2 As used in this Agreement, "Profits and Losses" means, for each fiscal year or other period specified in this Agreement, an amount equal to the Company's taxable income or loss for that year or period, determined in accordance with Internal Revenue Code §703(a), including all Tax Items required to be stated separately under Internal Revenue Code §703(a)(1), with the following adjustments:

(a) Any income of the Company that is exempt from federal income tax and not otherwise taken into account in computing Profits or Losses shall be added to taxable income or loss;

(b) Any expenditures of the Company described in Internal Revenue Code §705(a)(2)(B) or treated as Internal Revenue Code §705(a)(2)(B) expenditures under Treasury Regulation §1.704-1(b)(2)(iv)(i) and not otherwise taken into account in computing Profits or Losses shall be subtracted from taxable income or shall increase that loss; and

(c) Notwithstanding the foregoing provisions of this Section 4.2, any items of income, gain, loss, or deduction that are specially allocated shall not be taken into account in computing Profits or Losses under Section 4.1.

4.3 The following definitions shall apply for purposes of this Article IV:

(a) "Adjusted Capital Account Deficit" means, with respect to any Member, the deficit balance, if any, in the Member's Capital Account as of the end of the relevant fiscal year of the Company, after the Member's Capital Account has been adjusted as follows:

(i) increased by the amount of the Member's share of Company Minimum Gain and Member Nonrecourse Debt Minimum Gain, and

(ii) decreased by the amount of the items described in Treasury Regulation §1.704-1(b)(2)(ii)(d)(4)-(6).

This definition of Adjusted Capital Account Deficit is intended to comply with the provisions of Treasury Regulation §1.704-1(b)(2)(ii)(d) and shall be interpreted consistently with that Regulation.

(b) "Company Minimum Gain" has the meaning set forth in Treasury Regulation §1.704-2(d)(1).

(c) "Member Nonrecourse Debt" is defined in Treasury Regulation §1.704-2(b)(4).

(d) "Member Nonrecourse Debt Minimum Gain" for a fiscal year of the Company means the net increase in Minimum Gain attributable to Member Nonrecourse Debt, determined as set forth in Treasury Regulation §1.704-2(i)(2).

(e) "Member Nonrecourse Deductions" has the meaning set forth in Treasury Regulation §1.704-2(i)(2). For any Company fiscal year, the amount of Member Nonrecourse Deductions with respect to a Member Nonrecourse Debt equals the net increase during that fiscal year in Member Nonrecourse Debt Minimum Gain attributable to that Member Nonrecourse Debt during that fiscal year, reduced (but not below zero) by the amount of any distributions during that year to the

Member bearing the economic risk of loss for Member Nonrecourse Debt if the distributions are both from the proceeds of the Member Nonrecourse Debt and are allocable to an increase in Member Nonrecourse Debt Minimum Gain attributable to the Member Nonrecourse Debt, all as determined according to the provisions of Treasury Regulation §1.704-2(i)(2). In determining Member Nonrecourse Deductions, the ordering rules of Treasury Regulation §1.704- 2(j) shall be followed.

(f) "Nonrecourse Deductions" has the meaning set forth in Treasury Regulation §1.704-2(c). The amount of Nonrecourse Deductions for a Company fiscal year equals the net increase in the amount of Company Minimum Gain during that fiscal year, reduced (but not below zero) by the aggregate amount of any distributions during that fiscal year of proceeds of a Nonrecourse Liability that are allocable to an increase in Company Minimum Gain.

(g) "Nonrecourse Liability" has the meaning set forth in Treasury Regulation §1.752-1(a)(2).

4.4 The following special allocations shall be made in the following order:

(a) *Company Minimum Gain Chargeback.* If there is a net decrease in Company Minimum Gain during a fiscal year, each Member shall be allocated, before any other allocation under this Section 4.4, items of Company income and gain for the fiscal year equal to that Member's share of the net decrease in Company Minimum Gain as determined in accordance with Treasury Regulation §1.704-2(g)(2).

(b) *Member Nonrecourse Debt Minimum Gain Chargeback.* If there is a net decrease in Member Nonrecourse Debt Minimum Gain during a fiscal year (as defined in the Regulations), any Member with a share of the Member Nonrecourse Debt Minimum Gain attributable to that Member's Nonrecourse Debt as of the beginning of the fiscal year should be allocated items of Company income and gain for that year (and, if necessary, subsequent years) equal to that Member's share of the net decrease in Member Nonrecourse Debt Minimum Gain. A Member's share of net decrease in Member Nonrecourse Debt Minimum Gain shall be determined under Treasury Regulation §1.704-2(g)(2). A Member shall not be subject to the foregoing chargeback to the extent permitted under Treasury Regulation §1.704-2(i)(4).

(c) *Qualified Income Offset.* If any Member unexpectedly receives an adjustment, allocation, or distribution described in Treasury Regulation §1.704-1(b)(2)(ii)(d)(4), (d)(5), or (d)(6), that Member shall be allocated items of Company income and gain (consisting of a pro-rata portion of each item of Company income, including gross income and gain for that fiscal year) in an amount and manner sufficient to eliminate, to the extent required by the Regulations, the Adjusted Capital Account Deficit of that Member as quickly as possible; provided that an allocation under this Section 4.4(c) shall be made only if and to the extent that the Member would have an Adjusted Capital Account Deficit after all other allocations provided for in this Agreement have been made as if this Section 4.4(c) were not in the Agreement.

(d) *Gross Income Allocation.* In the event any Member has a deficit Capital Account at the end of any Company fiscal year in excess of the sum of:

(i) The amount the Member is obligated to restore under any provision of this Agreement, and

(ii) The amount the Member is deemed to be obligated to restore under Treasury Regulation §1.704-2(g)(1), (i)(5), each such Member shall be specially allocated items of Company income in the amount of the excess as quickly as possible; except that an allocation under this Section 4.4(d) shall be made only if and to the extent that the Member would have a deficit Capital Account in excess of that sum after all other allocations provided for in this Article IV have been made as if Section 4.4(c) and this Section 4.4(d) were not in the Agreement.

(e) *Member Nonrecourse Deductions.* Any Member Nonrecourse Deductions for any Company fiscal year shall be specially allocated to the Member who bears the economic risk of loss with respect to the Member Nonrecourse Debt to which those Member Nonrecourse Deductions are attributable in accordance with Treasury Regulation §1.704-2(i)(1).

(f) *Nonrecourse Deductions.* Nonrecourse Deductions for any fiscal year shall be specially allocated in proportion to their respective allocations of Profits for that fiscal year.

(g) *Section 754 Adjustments.* To the extent an adjustment to the adjusted tax basis of any Company asset under Internal Revenue Code §734(b) or 743(b) is required under Treasury Regulation §1.704-1(b)(2)(iv)(m)(2) or §1.704-1(b)(2)(iv)(m)(4) to be taken into account in determining Capital Accounts as the result of a distribution to a Member in complete liquidation of the Member's interest in the Company, the amount of the adjustment to Capital Accounts shall be treated as an item of gain (if the adjustment increases the basis of the asset) or loss (if the adjustment decreases the basis), and the gain or loss shall be specially allocated to the Members in accordance with their interests in the Company in the event that Treasury Regulation §1.704- 1(b)(2)(iv)(m)(2) applies, or to the Member to whom the distribution was made in the event that Treasury Regulation §1.704-1(b)(2)(iv)(m)(4) applies.

4.5 Member Nonrecourse Deductions for any fiscal year of the Company shall be allocated to the Members in the same proportion as Profits are allocated under Section 4.1, provided that any Member Nonrecourse Deductions for any fiscal year or other period shall be allocated to the Member who bears (or is deemed to bear) the economic risk of loss with respect to the Member Nonrecourse Debt to which those Member Nonrecourse Deductions are attributable in accordance with Treasury Regulation §1.704-2(i)(2).

(a) In any fiscal year of the Company, Profits in excess of Losses of the Company resulting from a Capital Event in that fiscal year shall be allocated to the Members in the following order:

(b) To Members whose Adjusted Capital Contributions are in excess of their Capital Accounts, in proportion to those excesses, until all of those excesses have been eliminated. "Adjusted Capital Contribution" means, with respect to each Member, the excess of that Member's contribution to the capital of the Company over all prior distributions to the Member that have resulted from Capital Events.

(c) Among the Members in the proportion that the Capital Contribution of each Member bears to the total Capital Contributions of all Members.

4.6 In any Company fiscal year, Losses in excess of Profits of the Company, resulting from a Capital Event in that fiscal year, shall be allocated to the Members with positive Capital Accounts,

in proportion to their positive Capital Account balances, until no Member has a positive Capital Account. For this purpose, Capital Accounts shall be reduced by the adjustments set forth in Treasury Regulation §1.704-1(b)(2)(ii)(d)(4)-(6).

4.7 Any Unrealized Appreciation or Unrealized Depreciation in the values of Company property distributed in kind to all the Members shall be treated in accordance with applicable law.

4.8 Any item of income, gain, loss, or deduction with respect to any property (other than cash) that has been contributed by a Member to the capital of the Company, or that has been revalued under the provisions of Section 3.5(g), and that is required or permitted to be allocated to the Member for income tax purposes under Internal Revenue Code §704(c) so as to take into account the variation between the tax basis of the property and its fair market value at the time of its contribution, shall be allocated solely for income tax purposes in the manner required or permitted under Internal Revenue Code §704(c) using the "traditional" method described in Treasury Regulation §1.704-3(b), except that any other method allowable under applicable Regulations may be used for any contribution of property with respect to which there is agreement among the contributing Member and the Manager(s) (and, if the Manager(s) and the contributing Member are Affiliates, a Majority of Members who are not Affiliates of the Manager(s)).

4.9 In the case of a Transfer of a Transferable Interest during any fiscal year of the Company, the Transferring Member and Transferee shall each be allocated Profits or Losses based on the number of days each of them held the Transferable Interest during that fiscal year. If the Transferring Member and Transferee agree to a different proration and advise the Manager(s) of the agreed proration before the date of the Transfer, Profits or Losses from a Capital Event during that fiscal year shall be allocated to the holder of the Transferable Interest on the day the Capital Event occurred. If a Transferee makes a subsequent Transfer, the Transferee shall be considered a "Transferring Member" with respect to the subsequent Transferee for purposes of these allocations.

4.10 Gross Asset Value.

(a) The Gross Asset Value of all Company property shall be adjusted at the following times:

(i) on the acquisition of an interest or additional interest in the Company by any new or existing Member in exchange for more than a de minimis Capital Contribution;

(ii) on the distribution of money or other property (other than a de minimis amount) by the Company to a Member as consideration for a Transferable Interest in the Company; and

(iii) on the liquidation of the Company within the meaning of Treasury Regulation §1.704-1(b)(2)(ii)(g), provided, however, that adjustments under clauses (1) and (2) above shall be made only in the event of a revaluation of Company property under Section 3.5(g) in accordance with Treasury Regulation §1.704-1(b)(2)(iv)(f).

(b) The Gross Asset Value of Company property shall be increased or decreased to reflect adjustments to the adjusted tax basis of the property under Internal Revenue Code §732, §733, or §743, subject to the limitations imposed by Internal Revenue Code §755 and Treasury

Regulation §1.704-1(b)(2)(iv)(m).

(c) If the Gross Asset Value of an item of property has been determined or adjusted under Section 1.22, or subsection (a) or (b) of this Section 4.11, the Gross Asset Value shall be adjusted by the Book Depreciation, if any, taken into account with respect to that property for purposes of computing Profits and Losses.

4.11 It is the intent of the Members that each Member's allocated share of Company Tax Items be determined in accordance with this Agreement to the fullest extent permitted by Internal Revenue Code §704(b)-(c). Notwithstanding anything to the contrary in this Agreement, if the Company is advised that, as a result of the adoption of new or amended regulations under Internal Revenue Code §704(b)-(c), or the issuance of authorized interpretations, the allocations provided in this Agreement are unlikely to be respected for federal income tax purposes, the Manager(s) are granted the power to amend the allocation provisions of this Agreement, on advice of accountants and legal counsel, to the minimum extent necessary for the allocation provisions to be respected for federal income tax purposes.

4.12 All Available Cash, other than revenues or proceeds from a Capital Event or the dissolution of the Company, shall be distributed among the Members in accordance with their respective Percentage Interests as soon as practicable following the Manager(s)' determination that cash is available for distribution.

4.13 All Available Cash resulting from a Capital Event (as distinguished from normal business operations or the dissolution of the Company) shall be distributed to the Members in accordance with their respective Percentage Interests as soon as practicable following the Manager(s)' determination that cash is available for distribution.

4.14 If the proceeds from a sale or other disposition of an item of Company property consist of property other than cash, the value of that property shall be as determined by the Manager(s). If noncash proceeds are subsequently reduced to cash, that cash shall be taken into account by the Manager(s) in determining Available Cash and the Manager(s) shall determine whether the cash has resulted from operations or from a Capital Event.

4.15 Notwithstanding any other provisions of this Agreement to the contrary, when there is a distribution in connection with a liquidation of the Company, or when any Member's interest is liquidated, all items of income and loss first shall be allocated to the Members' Capital Accounts under this Article IV, and other credits and deductions to the Members' Capital Accounts shall be made before the final distribution is made. The final distribution to the Members shall be made as provided in Section 9.2(d) of this Agreement. The provisions of this Section 4.16 and Section 9.2(d), shall be construed in accordance with the requirements of Treasury Regulation §1.704- 1(b)(2)(ii)(b)(2).

ARTICLE V
MANAGEMENT

5.1 The business of the Company shall be managed by the Managers. The Company shall have three Mangers. The Managers of the Company shall be the Scott B. Kirby, Benjamin Carter and Adam Salow. Subject to the Act and this Agreement, the Managers shall manage and control, and have authority to obligate and bind, and make all decisions affecting the Company and its business

and assets.

5.2 Each Manager shall serve until the earlier of: (i) the Manager's resignation, retirement, death, or disability; (ii) the Manager's removal by the Members; and (iii) the Manager may resign as Manager at any time by giving written notice to the Members. The resignation of a Manager shall be deemed to take effect upon delivery of written notice to the Members unless such later time is specified in the notice. A Manager who is not a Member may be removed with or without cause at any time by action of a Majority of Members. A new Manager shall be appointed by a Majority of Members on the occurrence of any of the foregoing events.

5.3 The Manager(s) may appoint individuals as officers of the Company, which may include (a) a President; (b) one or more Vice Presidents; (c) a Secretary and/or one or more Assistant Secretaries; and (d) a Treasurer and/or one or more Assistant Treasurers. The Manager(s) may delegate a portion of their day-to-day management responsibilities to any such officer or officers, as determined by the Manager(s) from time to time, and such officers shall have the authority to contract for, negotiate on behalf of and otherwise represent the interests of the Company as so authorized by the Manager(s), provided that in no event shall any officer have any rights, duties, powers or authority greater than that so delegated or that of the Manager(s).

5.4 The Manager(s) shall have the powers and duties described in this Agreement. Notwithstanding the foregoing, the Manager(s) shall not take any of the following actions on behalf of the Company unless a Majority of Members have consented to the taking of the such action:

(a) Any act that would make it impossible to carry on the ordinary business of the Company;

(b) Any confession of a judgment against the Company;

(c) The dissolution of the Company;

(d) The sale, exchange or disposition of all or a substantial part of the Company's assets, whether in a single transaction or series of related transactions, or the merger or consolidation of the Company with or into another Person;

(e) The incurring of any debt not in the ordinary course of business;

(f) A change in the nature of the principal business of the Company;

(g) The filing of a petition in bankruptcy or entering into an arrangement among the Company's creditors; and

(h) the entering into, on behalf of the Company, of any transaction constituting a "reorganization" within the meaning of Corporations Code §17711.01.

5.5 Actions of the Managers shall be taken at meetings or as otherwise provided in this Section 5.5 by a majority of the Managers. Any action required or permitted to be taken by the Managers under this Agreement, may be taken without a meeting up written consent. No regular meetings of the Managers need be held. Any two Managers may call a meeting of the Managers by

giving Notice of the time and place of the meeting at least 48 hours before the time of the holding of the meeting. The Notice shall specify the purpose of the meeting and the location of the meeting. All written consents, Notices and meeting minutes shall be maintained in the books and records of the Company.

5.6 A majority of Managers shall constitute a quorum for the transaction of business at any meeting of the Managers.

5.7 Managers may participate in the meeting through the use of a teleconference, videoconference, or similar communications equipment.

5.8 It is acknowledged that the Manages have other business interests to which the Managers devote part of their time. The Managers shall devote as much time to the conduct of the business of the Company as the Managers, in the Managers' own good faith and discretion, deems necessary.

5.9 The Manager(s) shall be entitled to compensation for the Manager(s)' services as determined by the Members, and to reimbursement for all expenses reasonably incurred by the Manager in the performance of the Manager's duties.

5.10 The Manager(s) shall be reimbursed for all expenses reasonably incurred by the Manager(s) in the performance of the Manager(s)' duties.

5.11 The Manager(s) shall cause all assets of the Company, whether real or personal, to be held in the name of the Company.

5.12 All funds of the Company shall be deposited in one or more accounts with one or more recognized financial institutions in the name of the Company, at locations determined by the Manager(s). Withdrawal from those accounts shall require only the signature of one Manager or any other person or persons as the Manager(s) may designate.

ARTICLE VI
ACCOUNTS AND ACCOUNTING

6.1 Complete books of account of the Company's business, in which each Company transaction shall be fully and accurately entered, shall be kept at the Company's principal executive office and at other locations that the Manager(s) shall determine from time to time, and shall be open to inspection and copying on reasonable Notice by any Member or the Member's authorized representatives during normal business hours. The costs of inspection and copying shall be borne by the Member.

6.2 Financial books and records of the Company shall be kept on the same method of accounting followed by Company for federal income tax purposes. The Manager(s) may determine the method of accounting followed by the Company for federal income tax purposes. The financial statements of the Company shall be prepared in accordance with generally accepted accounting principles and shall be appropriate and adequate for the Company's business and for carrying out the provisions of this Agreement. The fiscal year of the Company shall be January 1 through December 31.

6.3 At all times during the term of existence of the Company, and beyond that term if the Manager(s) deem it necessary, the Manager(s) shall keep or cause to be kept the books of account, together with:

(a) A current list of the full name and last known business or residence address of each Member, together with the Capital Contribution and the share in Profits and Losses of each Member;

(b) A current list of the full name and business or residence address of each Manager;

(c) A copy of the Articles of Organization, as amended;

(d) Copies of the Company's federal, state, and local income tax or information returns and reports, if any, for the ten (10) most recent taxable years;

(e) Financial statements of the Company for the six (6) most recent fiscal years;

(f) An original executed copy or counterparts of this Agreement, as amended;

(g) Any powers of attorney under which the Articles of Organization or any amendments to said articles were executed; and

(h) The books and records of the Company as they relate to the Company's internal affairs for the current and past four (4) fiscal years.

If the Manager(s) deem that any of the foregoing items shall be kept beyond the term of existence of the Company, the repository of those items shall be as designated by the Manager(s).

6.4 At the end of each fiscal year, the books of the Company shall be closed and examined, statements reflecting the financial condition of the Company and its Profits or Losses shall be prepared, and a report about those matters shall be issued by the Company's certified public accountants. Copies of the financial statements shall be given to all Members. In addition, all Members shall receive, not less frequently than at the end of each calendar quarter, copies of such financial statements regarding the previous calendar quarter as may be prepared in the ordinary course of business by the Manager(s) or accountants selected by the Manager(s). The Manager(s) shall cause an annual report to be sent to each Member within one hundred-twenty (120) days after the end of the fiscal year of the Company. The annual report may be sent by electronic transmission by the Company and shall include:

(a) A balance sheet and income statement, and a statement of cash flows of the Company as of the close of the fiscal year; and

(b) A statement showing the Capital Account of each Member as of the close of the fiscal year and the distributions, if any, made to each Member during the fiscal year. Members representing at least thirty percent (30%) of the Members, by number, may request interim balance sheets and income statements, and may, at their own discretion and expense, obtain an audit of the Company books by certified public accountants selected by them; provided, however, that not more

than one such audit shall be made during any fiscal year of the Company.

6.5 Within ninety (90) days after the end of each taxable year of the Company, the Manager(s) shall send to each of the Members all information necessary for the Members to complete their federal and state income tax or information returns and a copy of the Company's federal, state, and local income tax or information returns for that year.

6.6 Scott Kirby shall act as Tax Matters Partner of the Company under Internal Revenue Code §6231(a)(7).

6.7 The Tax Matters Partner is authorized to do the following:

(a) Keep the Members informed of administrative and judicial proceedings for the adjustment of Company items (as defined in Internal Revenue Code §6231(a)(3)) at the Company level, as required under Internal Revenue Code §6223(g) and the implementing Regulations;

(b) Enter into settlement agreements under Internal Revenue Code §6224(c)(3) and applicable Regulations with the Internal Revenue Service or the Secretary of the Treasury (the Secretary) with respect to any tax audit or judicial review, in which agreement the Tax Matters Partner may expressly state that the agreement shall bind the other Members, except that the settlement agreement shall not bind any Member who (within the time prescribed under the Code and Regulations) files a statement with the Secretary providing that the Tax Matters Partner shall not have the authority to enter into a settlement agreement on behalf of that Member;

(c) On receipt of a notice of a final Company administrative adjustment, file a petition for readjustment of the Company items with the Tax Court, the District Court of the United States for the district in which the Company's principal place of business is located, or the United States Court of Federal Claims, all as contemplated under Internal Revenue Code §6226(a) and applicable Regulations;

(d) File requests for administrative adjustment of Company items on Company tax returns under Internal Revenue Code §6227(b) and applicable Regulations; and, to the extent those requests are not allowed in full, file a petition for adjustment with the Tax Court, the District Court of the United States for the district in which the Company's principal place of business is located, or the United States Court of Federal Claims, all as contemplated under Internal Revenue Code §6228(a); and

(e) Take any other action on behalf of the Members or the Company in connection with any administrative or judicial tax proceeding to the extent permitted by law or regulations, including retaining tax advisers (at the expense of the Company) to whom the Tax Matters Partner may delegate such rights and duties as deemed necessary and appropriate.

ARTICLE VII
MEMBERSHIP, MEETINGS, VOTING & INDEMNITY

7.1 There shall be only one class of membership and no Member shall have any rights or preferences in addition to or different from those possessed by any other Member, except as specifically provided in Article IV. Members shall have those rights as specifically set forth in this

Agreement.

7.2 Each Member shall Vote in proportion to such Member's Percentage Interest as of the governing date, determined in accordance with Section 7.3. If a Member has Transferred all or part of the Member's Transferable Interest to a Person who has not been admitted as a Member, the Transferring Member shall Vote in proportion to the Percentage Interest that the Transferring Member would have had if the transfer had not been made.

7.3 Without limiting the foregoing, all of the following acts shall require the unanimous Vote of the Members:

(a) The Transfer of Membership Interest and the admission of the Transferee as a Member of the Company;

(b) Any amendment of the Articles of Organization or this Agreement; and

(c) A compromise of the obligation of a Member to make a Capital Contribution under Article III.

7.4 If the Members are equally divided (based on their respective Percentage Interest) over a material matter affecting the operations of the Company (a "Deadlock"), one or more Members may notify the other Member or Members of the existence of a Deadlock. The Members shall immediately and continuously endeavor in good faith to resolve the Deadlock. If after six (6) months the Members have failed to resolve the Deadlock, the Deadlock is deemed a dispute, which cannot be resolved by negotiation. If not resolved by mediation, the parties shall resolve the dispute by arbitration pursuant to this Article. In the arbitration, a Member may tender an offer to buy the Interest of another Member or all of the assets of the Company. The arbitrator has the power and authority to resolve the Deadlock and may do so by compelling the sale of one or more Interests (either to a tendering Member or a third party) or the dissolution and liquidation of the Company, by such means and at such prices as the arbitrator determines to be in the best interests of the Company and its Members. The arbitrator may compel production of documents, order reports, or retain experts to assist him in the arbitration, and the costs are allocated among the Members as the arbitrator determines.

7.5 The record date for determining the Members entitled to receive Notice of any meeting, to Vote, to receive any distribution, or to exercise any right in respect of any other lawful action shall be the date set by the Manager(s); provided that the record date shall not be more than sixty (60), or less than ten (10), calendar days before the date of the meeting and not more than sixty (60) calendar days before any other action. In the absence of any action setting a record date, the record date shall be determined in accordance with Corporations Code §17704.07(p).

7.6 Meetings of the Members may be called at any time by the Manager(s), or by Members representing more than ten percent (10%) of the Percentage Interests of the Members, for the purpose of addressing any matters on which the Members may Vote. If a meeting of the Members is called by the Members, Notice of the call shall be delivered to the Manager(s). The Manager(s) shall then give Notice of the meeting not less than ten (10), nor more than sixty (60) calendar days before the meeting date to all Members entitled to Vote at the meeting. The Notice shall state the place, date, and hour of the meeting, the means of electronic transmission by and to the Company or electronic video communication, if any, and the general nature of business to be transacted. No other business may be

transacted at the meeting.

7.7 A quorum at any meeting of Members shall consist of a Majority of Members, represented in person or by Proxy.

7.8 A meeting of Members at which a quorum is present may be adjourned to another time or place and any business that might have been transacted at the original meeting may be transacted at the adjourned meeting. If a quorum is not present at an original meeting, that meeting may be adjourned by the Vote of a majority of Voting Interests represented either in person or by Proxy. Notice of the adjourned meeting need not be given to Members entitled to Notice if the time and place of the adjourned meeting are announced at the meeting at which the adjournment is taken, unless (a) the adjournment is for more than forty-five (45) days, or (b) after the adjournment, a new record date is fixed for the adjourned meeting. In the situations described in clauses (a) and (b), Notice of the adjourned meeting shall be given to each Member of record entitled to Vote at the adjourned meeting.

7.9 The transactions of any meeting of Members, however called and noticed, and wherever held, shall be as valid as though consummated at a meeting duly held after regular call and notice, if (a) a quorum is present at that meeting, either in person or by Proxy, and (b) either before or after the meeting, each of the persons entitled to Vote, not present in person or by Proxy, signs either a written waiver of notice, a consent to the holding of the meeting, or an approval of the minutes of the meeting. Attendance of a Member at a meeting shall constitute waiver of notice, unless that Member objects, at the beginning of the meeting, to the transaction of any business on the ground that the meeting was not lawfully called or convened. Attendance at a meeting is not a waiver of any right to object to the consideration of matters required to be described in the notice of the meeting and not so included, if the objection is expressly made at the meeting.

7.10 At all meetings of Members, a Member may Vote in person or by Proxy. The Proxy shall be filed with the Manager(s) before or at the time of the meeting, and may be filed by facsimile transmission to the Manager(s) at the principal executive office of the Company or any other address given by the Manager(s) to the Members for those purposes.

7.11 A meeting of the Members may be conducted, in whole or in part, by electronic transmission by and to the Company or by electronic video communication if (i) the Company implements reasonable measures to provide Members (in person or by Proxy) a reasonable opportunity to participate in the meeting and to vote on matters submitted to the Members, including an opportunity to read or hear the proceedings of the meeting concurrently with those proceedings, and if (ii) any Member Votes or takes other action at the meeting by means of electronic transmission to the Company or electronic video communication, a record of that vote or action is maintained by the Company.

7.12 Any action that may be taken at any meeting of the Members may be taken without a meeting if a consent in writing, setting forth the action so taken, is signed by Members having not less than the minimum number of Votes that would be necessary to authorize or take that action at a meeting at which all Members entitled to Vote were present and voted. If the Members are requested to consent to a matter without a meeting, each Member shall be given notice of the matter to be voted on in the manner described herein. Any action taken without a meeting shall be effective when the required minimum number of Votes have been received. Prompt Notice of the action taken shall be given to all Members who have not consented to the action.

7.13 No Member acting solely in the capacity of a Member is an agent of the Company, nor can any Member acting solely in the capacity of a Member bind the Company or execute any instrument on behalf of the Company. Accordingly, each Member shall indemnify, defend, and hold harmless each other Member and the Company from and against any and all loss, cost, expense, liability, or damage arising from or out of any claim based on any action by a Member in contravention of the first sentence of this Section 7.13.

ARTICLE VIII
TRANSFER OF MEMBERSHIP INTERESTS

8.1 A Member may not dissociate from the Company without the written consent of all remaining Members. Dissociation shall not release a Member from any obligation or liability under this Agreement, accrued or incurred, before the effective date of dissociation. A dissociating Member shall have only the rights of a holder of a Transferable Interest in the Company in respect of the Member's Membership Interest in the Company. Unless all remaining Members consent to the dissociation, the dissociating Member shall not be entitled to a distribution of its Transferable Interest until the dissolution and liquidation of the Company. For purposes of this Section 8.1, the term "Transferable Interest" shall not mean or include any right to share in the income, gains, losses, deductions, credits, or similar items of the Company attributable to any period following dissociation, or any right to information concerning the business and affairs of the Company, except as provided in Corporations Code §17704.10.

8.2 Except as expressly provided in this Agreement, a Member shall not Transfer any part of the Member's Membership Interest in the Company without the prior written consent of the all other Members. No Member may Encumber or permit or suffer any Encumbrance of all or any part of the Member's Membership Interest in the Company without the prior written consent of the Manager(s). Any Transfer or Encumbrance of a Membership Interest without that approval shall be void.

8.3 Notwithstanding Section 8.2 above, and subject to the conditions and restrictions set forth in Section 8.4 below, a Member may Transfer such Member's Membership Interests (a "Permitted Transfer") without the prior written consent of the Manager(s), to any Person without complying with Section 8.5 of this Agreement solely in accordance with the following:

(a) A Member who is a natural person may Transfer all or any portion of such Member's Membership Interests by gift, sale, will or otherwise, to one or more members of such Member's "family" (as defined below), to a trust substantially for the benefit of such Member and/or for the benefit of one or more members of such Member's family, to one or more beneficiaries of any trust that is or was a Member, to a corporation of which such Member and/or such Member's family and/or family trust are the majority shareholders or to a partnership or limited liability company in which such Member and/or such Member's family and/or family trust collectively hold the controlling interest.

(b) A Member that is a partnership, corporation, limited liability company, trust or similar entity (each, an "Entity Member") may Transfer all or any portion of such Entity Member's Membership Interests to (i) one or more partners, shareholders, members, beneficiaries or similar owners of or investors in such Entity Member (each, an "Entity Member Owner"), (ii) to any member of an affiliated group of corporations within the meaning of Section 1504 of the Code that includes

such Entity Member or (iii) to a trust substantially for the benefit of (x) one or more Entity Member Owners or (y) one or more members of the family of the Entity Member Owner.

(c) A Member may Transfer all or any portion of the Member's Membership Interests to another Member or the Company.

(d) As used in this Agreement, "family" means only the spouse, issue (whether natural or adopted), sibling or parent of a Member. Notwithstanding any provision of this Section 8.3 to the contrary, no Transfer is permitted to or for the benefit of a separated or divorced spouse by agreement, Court order or otherwise. Any Transfer of Membership Interests made pursuant to this Section can be made only in such manner as to provide control of such Membership Interests by a competent legal entity or adult (unless such transfer is to a custodian for such minor person under an act regarding transfers to minors or to the trustee of a trust for the benefit of such minor person), and so as not to vest control of any Membership Interests in any minor or other legally incompetent person.

8.4 A Transfer shall not be treated as a Permitted Transfer unless and until the following conditions are satisfied:

(a) The Transferring Member and Transferee must execute and deliver to the Company such documents and instruments of conveyance as may be necessary or appropriate in the opinion of counsel to the Company to effect such Transfer and to confirm the agreement of the Transferee to be bound by the provisions of this Agreement. In all cases, the Company shall be reimbursed by the Transferring Member and/or Transferee for all costs and expenses that it reasonably incurs in connection with such Transfer.

(b) The Transferring Member and Transferee shall furnish the Company with the Transferee's taxpayer identification number, and any other information necessary to permit the Company to file all required federal and state tax returns and other legally required information statements or returns. Without limiting the generality of the foregoing, the Company shall not be required to make any distribution otherwise provided for in this Agreement with respect to any transferred Membership Interests until it has received such information.

(c) Either (i) such Membership Interests shall be registered under the Securities Act of 1933, as amended, and any applicable state securities laws, or (ii) the Transferring Member shall provide, upon the Company's reasonable request, an opinion of counsel, which opinion and counsel shall be reasonably satisfactory to the Company, to the effect that such Transfer is exempt from all applicable registration requirements and that such Transfer does not violate any applicable laws regulating the transfer of securities.

(d) The Transferring Member may grant to any Transferee of Membership Interests pursuant to a Permitted Transfer the right to become a substitute Member with respect to the Membership Interests transferred; provided, however, that such Transferee shall not become a substitute Member unless and until the admission of such assignee or transferee is consented to in writing by the Manager.

8.5 If a Member wishes to Transfer any or all of the Member's Membership Interest in the Company under a Bona Fide Offer (as defined below), the Member shall give Notice to the Manager(s) at least thirty (30) days in advance of the proposed sale or Transfer, indicating the terms of the Bona

Fide Offer and the identity of the offeror. The Company and the other Members shall have the option to purchase the Membership Interest proposed to be transferred at the price and on the terms provided in this Agreement. If the price for the Membership Interest is other than cash, the fair value in dollars of the price shall be as established in good faith by the Company. For purposes of this Agreement, "Bona Fide Offer" means an offer in writing from a third party setting forth all relevant terms and conditions of purchase from an offeror who is ready, willing, and able to consummate the purchase and who is not an Affiliate of the selling Member. For thirty (30) days after the Notice is given, the Company shall have the right to purchase the Membership Interest offered, on the terms stated in the Notice, for the lesser of (i) the price stated in the Notice (or the price plus the dollar value of noncash consideration, as the case may be) and (ii) the price determined under the appraisal procedures set forth in Section 8.9.

(a) If the Company does not exercise the right to purchase all of the Membership Interest, then, with respect to the portion of the Membership Interest that the Company does not elect to purchase, that right shall be given to the other Members for an additional thirty (30) day period, beginning on the day that the Company's right to purchase expires. Each of the other Members shall have the right to purchase, on the same terms, a part of the interest of the offering Member in the proportion that the Member's Percentage Interest bears to the total Percentage Interests of all of the Members who choose to participate in the purchase; provided, however, that the Company and the participating Members may not, in the aggregate, purchase less than the entire interest to be sold by the offering Member.

(b) If the Company and the other Members do not exercise their rights to purchase all of the Membership Interest, the offering Member may, within ninety (90) days from the date the Notice is given and on the terms and conditions stated in the Notice, sell or exchange that Membership Interest to the offeror named in the Notice. The offeror under this Section 8.5 shall become a Transferee, and shall be entitled to receive only the share of Profits or other compensation and the return of Capital Contribution to which the Transferring Member would have been entitled. If the Transferring Member fails to conclude such sale within such time period, the Membership Interests proposed to be offered shall again become subject to all of the restrictions of this Section 8.5.

8.6 On the happening of any of the following events ("Triggering Events"), the Company and the other Members shall have the option to purchase the Membership Interest of a Member ("Selling Member") at the price and on the terms provided in Section 8.9 of this Agreement:

(a) The death, incapacity, bankruptcy, or dissociation of a Member, or the winding up and dissolution of a corporate Member, or the merger or other corporate reorganization of a corporate Member as a result of which the corporate Member does not survive as an entity.

(b) The failure of a Member to make the Member's Capital Contribution under the provisions of Article III of this Agreement.

(c) The occurrence of any other event that is, or that would cause, a Transfer in contravention of this Agreement.

8.7 Each Member agrees to promptly give Notice of a Triggering Event to the Manager(s). On the receipt of Notice by the Manager(s) and the other Members and on receipt of actual notice of any Triggering Event as determined in good faith by the Manager(s) (the date of the receipt is

hereinafter referred to as the "Option Date"), the Manager(s) shall promptly cause a Notice of the occurrence of a Triggering Event to be sent to all Members, and the Company, acting by its Manager(s), shall have the option, for a period ending thirty (30) calendar days following the determination of the purchase price, to purchase the Membership Interest in the Company to which the option relates, at the price and on the terms set forth in Article VIII of this Agreement, and the other Members, pro rata in accordance with their prior Membership Interests in the Company, shall then have the option, for a period of thirty (30) days thereafter, to purchase the Membership Interest in the Company not purchased by the Company, on the same terms and conditions as apply to the Company. If all other Members do not elect to purchase the entire remaining Membership Interest in the Company, then the Members electing to purchase shall have the right, pro rata in accordance with their prior Membership Interests in the Company, to purchase the additional Membership Interest in the Company available for purchase. The transferee of the Membership Interest in the Company that is not purchased shall hold the Membership Interest in the Company subject to all of the provisions of this Agreement.

8.8 Neither the Member whose interest is subject to purchase under this Article, nor that Member's Affiliate, shall participate in any Vote or discussion of any matter pertaining to the disposition of the Member's Membership Interest in the Company under this Agreement.

8.9 The purchase price of the Membership Interest that is the subject of an option under Section 8.7 shall be the Fair Option Price of the interest as determined under this Section 8.9. The term "Fair Option Price" means an amount agreed to by the Company and the withdrawing Member or, if such parties cannot agree, an amount determined by an independent valuation firm jointly selected by the Company and the withdrawing Member; provided, however, if the parties are not able to agree on an appraisal company, then each of the Company and the withdrawing Member shall select an independent appraisal company that together shall select a third independent appraisal company who shall then determine the fair market value of the withdrawing Member's Interest. The costs of a valuation firm shall be borne fifty percent (50%) by the Company and fifty percent (50%) by the withdrawing Member.

8.10 Except as expressly permitted under Article VIII, a prospective transferee (other than an existing Member) of a Membership Interest may be admitted as a Member with respect to the Membership Interest ("Substituted Member") only if such transferee (i) is consented to in writing by the Manager(s), whose consent shall not be unreasonably withheld; (ii) a copy of an instrument of assignment executed by the transferor and the transferee, in form satisfactory to the Company, that indemnifies the Company against loss or liability arising out of such assignment, has been received by the Company, (iii) the transferee executes and delivers to the Company such documents as the Company deems necessary or appropriate to effect the Transfer and to confirm the agreement of the transferee to be bound by the provisions of this Agreement and (iv) the transferee, upon the reasonable request of the Company, provides the Company with an opinion of counsel, which opinion and counsel shall be reasonably satisfactory to the Company, to the effect that the Transfer shall be exempt from all applicable registration requirements and that such Transfer shall not violate any applicable laws regulating the transfer of securities. Thereafter, the Company shall remit directly to the transferee all distributions to which the transferee may be entitled pursuant to the provisions of this Agreement and the assignment.

8.11 Any prospective transferee of a Membership Interest shall be deemed a Transferee, and, therefore, the owner of only a Transferable Interest until the prospective transferee has been admitted

as a Substituted Member. Any such Transferee shall be entitled to receive allocations and distributions under this Agreement with respect to the Membership Interest and shall have no right to Vote or exercise any rights of a Member until the Transferee has been admitted as a Substituted Member. Until the Transferee becomes a Substituted Member, the Transferring Member shall continue to be a Member and have the power to exercise any rights and powers of a Member under this Agreement, including the right to Vote in proportion to the Percentage Interest that the Transferring Member would have had if the transfer had not been made.

8.12 Any person admitted to the Company as a Substituted Member shall be subject to all the provisions of this Agreement that apply to the Member from whom the Membership Interest was transferred, except that the transferring Member shall not be released from liabilities as a Member solely as a result of the transfer, both with respect to obligations to the Company and to third parties incurred before the transfer.

ARTICLE IX
DISSOLUTION AND WINDING UP

9.1 The Company shall be dissolved on the first to occur of the following events:

(a) The written agreement of a Majority of Members to dissolve the Company.

(b) The sale or other disposition of substantially all of the Company's assets.

(c) A merger or consolidation of the Company with one or more other entities in which the Company is not the surviving entity.

(d) The happening of any other event that makes it unlawful, impossible or impractical to carry on the business of the Company.

(e) Entry of a decree of judicial dissolution under Corporations Code §17707.03.

9.2 On the dissolution of the Company, the Company shall engage in no further business other than that necessary to wind up the business and affairs of the Company. The Manager(s) or, if there is no Manager, the Members, shall wind up the affairs of the Company. The Manager(s) or Members winding up the affairs of the Company shall give Notice of the commencement of winding up by mail to all known creditors and claimants against the Company whose addresses appear in the records of the Company. After paying or adequately providing for the payment of all known debts of the Company (except debts owing to Members), the remaining assets of the Company shall be distributed or applied in the following order:

(a) To pay the expenses of liquidation;

(b) To the establishment of reasonable reserves for contingent liabilities or obligations of the Company. On the determination that reserves are no longer necessary, they shall be distributed as provided in this Section 9.2;

(c) To repay outstanding loans to Members. If there are insufficient funds to pay those loans in full, each Member shall be repaid in the ratio that the Member's loan, together with

accrued and unpaid interest, bears to the total of all loans from Members, including all accrued and unpaid interest. Repayment shall first be credited to unpaid principal and the remainder shall be credited to accrued and unpaid interest; and

(d) Among the Members with positive Capital Account balances as provided in Section 4.16.

9.3 Each Member shall look solely to the assets of the Company for the return of the Member's investment, and if Company property remaining after the payment or discharge of the Company's debts and liabilities is insufficient to return the investment of each Member, the Member shall have no recourse against any other Members for indemnification, contribution, or reimbursement, except as specifically provided in this Agreement.

ARTICLE X
INDEMNIFICATION AND ARBITRATION

10.1 To the fullest extent permitted by applicable law from time to time in effect:

(a) The Company shall indemnify, defend and hold harmless any Manager, Member, officer, agent and employee of the Company and their respective directors, trustees, shareholders, members, partners, officers, employees, agents and other Affiliates, against all claims, liabilities, costs, expenses, including reasonable attorneys' fees, actually incurred by any such Person in connection with the conduct of the Company's business, if that Person acted in good faith and in a manner that the Person reasonably believed to be in the best interests of the Company ; and

(b) The Company shall indemnify, defend and hold the Manager(s) harmless from and against, and may, upon the approval of the Manager(s), indemnify, defend and hold the Company's and any Manager's respective Affiliates, agents, employees, consultants and other independent contractors (collectively, "Indemnitees"), harmless from and against, all claims, liabilities, costs, expenses, including reasonable attorneys' fees, actually incurred or lawsuits against any of the Indemnitees in connection with or resulting from their acts or omissions in their capacity as a Manager, or as such an Affiliate, agent, employee, consultant or other independent contractor of the Company or a Manager, or in connection with, arising from or relating to, business or activities undertaken on behalf of the Company, including, without limitation, any demands, claims or lawsuits initiated by a Member, unless a judgment or other final adjudication adverse to such Indemnitee establishes that (i) such acts or omissions were committed in bad faith, or were the result of active and deliberate dishonesty, (ii) such Indemnitee personally gained a financial profit or other advantage to which he, she or it was not legally entitled, or (iii) such acts or omissions violated such lesser standard of conduct as under applicable law affirmatively prevents indemnification hereunder. The termination of any action, suit or proceeding by judgment, order, settlement, plea of nolo contendere or its equivalent or conviction shall not, of itself, create a presumption that an Indemnitee shall not be entitled to indemnification hereunder or that the Indemnitee did not act in good faith and in a manner which it reasonably believed to be in or not opposed to the best interests of the Company.

(c) The rights of an Indemnitee set forth in this Section 10.1 shall not be exclusive of any other rights to which it may be entitled, whether by separate agreement or otherwise, nor shall such rights limit or affect any other such rights. All rights of an Indemnitee under this Section 10.1 shall survive the dissolution of the Company, and shall inure to the benefit of his or its heirs, personal

representatives, successors and assigns.

(d) Notwithstanding anything contained herein to the contrary, any amount to which an Indemnitee may be entitled under this Section 10.1 shall be paid only out of the assets of the Company and any insurance proceeds available to the Company for such purposes. No Member shall be personally liable for any amount payable pursuant to this Section 10.1, or to make any Capital Contribution, return any distribution made to it by the Company, or restore any Negative Capital Account balance to enable the Company to make any such payment.

(e) The Company may purchase and maintain insurance or furnish similar protection, including, but not limited to, trust funds, letters of credit or self-insurance, for or on behalf of an Indemnitee and such other Persons as the Manager(s) shall determine. The insurance or similar protection purchased or maintained for those persons may be for any liability asserted against them and incurred by them in any capacity described in this Section 10.1 or for any liability arising out of their status as described in this Section 10.1, whether or not the Company would have the power to indemnify them against that liability under this Section 10.1.

10.2 Any action to enforce or interpret this Agreement, or to resolve disputes over this Agreement between the Company and a Member, or between or among the Members, shall be settled by arbitration in accordance with the rules of the American Arbitration Association. Arbitration shall be the exclusive dispute resolution process in the State of California, but arbitration shall be a nonexclusive process elsewhere. Any party may commence arbitration by sending a written demand for arbitration to the other parties. The demand shall set forth the nature of the matter to be resolved by arbitration. The Manager(s) shall select the arbitrator and place of arbitration. The substantive law of the State of California shall be applied by the arbitrator to the resolution of the dispute. The parties shall share equally all initial costs of arbitration. The prevailing party shall be entitled to reimbursement of attorneys' fees, costs, and expenses incurred in connection with the arbitration. All decisions of the arbitrator shall be final, binding, and conclusive on all parties. Judgment may be entered on any such decision in accordance with applicable law in any court having jurisdiction of it. The arbitrator (if permitted under applicable law) or the court may issue a writ of execution to enforce the arbitrator's decision.

ARTICLE XI
ATTORNEY-IN-FACT AND AGENT

11.1 Each Member, by execution of this Agreement, irrevocably constitutes and appoints the Manager(s) as the Member's true and lawful attorney-in-fact and agent, with full power and authority in the Member's name, place, and stead to execute, acknowledge, and deliver, and to file or record in any appropriate public office:

(a) any certificate or other instrument that may be necessary, desirable, or appropriate to qualify the Company as a limited liability company or to transact business as one in any jurisdiction in which the Company conducts business;

(b) any certificate or amendment to the Company's articles of organization or to any certificate or other instrument that may be necessary, desirable, or appropriate to reflect an amendment approved by the Members in accordance with the provisions of this Agreement;

(c) any certificates or instruments that may be necessary, desirable, or appropriate to reflect the dissolution and winding up of the Company; and

(d) any certificates necessary to comply with the provisions of this Agreement. This power of attorney shall be deemed to be coupled with an interest and shall survive the Transfer of the Member's Transferable Interest. Notwithstanding the existence of this power of attorney, each Member agrees to join in the execution, acknowledgment, and delivery of the instruments referred to above if requested to do so by a Manager. This power of attorney is a limited power of attorney and does not authorize any Manager to act on behalf of a Member except as described in this Article XI.

ARTICLE XII
GENERAL PROVISIONS

12.1 *Entire Agreement.* This Agreement constitutes the whole and entire agreement of the parties with respect to its subject matter, and it shall not be modified or amended in any respect except by a written instrument executed by all the parties. This Agreement replaces and supersedes all prior written and oral agreements by and among the Members and Manager(s) or any of them.

12.2 *Counterparts.* This Agreement may be executed in one or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument. Executed counterparts of this Agreement may be delivered by facsimile transmission or by delivery of a scanned counterpart in portable document format (PDF) by e-mail, in either case with delivery confirmed. On such confirmed delivery, the signatures in the facsimile or PDF data file shall be deemed to have the same force and effect as if the manually signed counterpart had been delivered to the other party in person.

12.3 *Applicable Law.* This Agreement shall be construed and enforced in accordance with the laws of the State of California. If any provision of this Agreement is determined by any court of competent jurisdiction or arbitrator to be invalid, illegal, or unenforceable to any extent, that provision shall, if possible, be construed as though more narrowly drawn, if a narrower construction would avoid that invalidity, illegality, or unenforceability or, if that is not possible, the provision shall, to the extent of that invalidity, illegality, or unenforceability, be severed, and the remaining provisions of this Agreement shall remain in effect.

12.4 *Binding Agreement.* This Agreement shall be binding on and inure to the benefit of the parties and their heirs, personal representatives, and permitted successors and assigns.

12.5 *Grammar.* Whenever used in this Agreement, the singular shall include the plural and the plural shall include the singular, and the neuter gender shall include the male and female as well as a trust, firm, company, or corporation, all as the context and meaning of this Agreement may require.

12.6 *Titles and Captions.* The article, section, and subsection titles and headings in this Agreement are inserted as matters of convenience and for ease of reference only and shall be disregarded for all other purposes, including the construction or enforcement of this Agreement or any of its provisions.

12.7 *Amendments.* This Agreement may be altered, amended, or repealed only by a writing signed by all of the Members.

12.8 *Time is of the essence.* Time is of the essence for every provision of this Agreement that specifies a time for performance.

12.9 The parties to this Agreement shall promptly execute and deliver any and all additional documents, instruments, notices, and other assurances, and shall do any and all other acts and things reasonably necessary in connection with the performance of their respective obligations under this Agreement and to carry out the intent of the parties.

12.10 Except as provided in this Agreement, no provision of this Agreement shall be construed to limit in any manner the Members in the carrying on of their own respective businesses or activities.

12.11 Except as provided in this Agreement, no provision of this Agreement shall be construed to establish a Member as the agent of any other Member.

12.12 Each Member represents and warrants to the other Members that the Member has the capacity and authority to enter into this Agreement.

12.13 This Agreement is made solely for the benefit of the parties to this Agreement and their respective permitted successors and assigns, and no other person or entity shall have or acquire any right by virtue of this Agreement.

ARTICLE XIII
ACKNOWLEDGEMENT

13.1 Acknowledgment.

(a) Each Member hereby represents and warrants to the Company and each other Member as follows:

(i) Such Member acknowledges that:

(A) the Interest owned by he/she/it has not been registered under the Securities Act of 1933, the California State securities laws or any other applicable state securities laws (collectively, the "Securities Acts") because the Company is issuing (or a Member has Transferred) such Interest in reliance upon exemptions from the registration requirements contained in the Securities Acts for issuances not involving a public offering;

(B) the Company (or the transferor) has relied upon the fact that the Interest is to be held by such Member for investment purposes only, and not with a view to any resale or distribution thereof; and

(C) the Company is under no obligation to register or qualify the Interest or to assist any Member or Successor In Interest, as applicable, in complying with any exemption from registration under the Securities Acts if such Member wishes to dispose of the Interest.

(b) Each Member is acquiring the Interest for his/her/its own account, for investment purposes only, and not with a view to the resale or distribution thereof, unless there are

effective registrations or other qualifications relating thereto under applicable Securities Acts.

(c) Before acquiring the Interest, each Member investigated the Company and its business, and the Company made available to he/she/it all information necessary to make an informed decision to acquire the Interest.

(d) Each of the parties hereto and each of the substitute Members hereinafter becoming a signatory hereto, acknowledge that each such party or substitute Member has been advised of and hereby approves of the application of the Company funds to pay all costs and expenses incurred in connection with the formation of the Company and admission of the Members, including, without limitation, legal fees, registration fees and filing and recording charges.

[*SIGNATURES ON FOLLOWING PAGE*]

IN WITNESS WHEREOF, the parties have executed or caused to be executed this Agreement on the day and year first above written.

MEMBERS:

Kirby Living Trust Dated September 26, 2016

By: Signed by: Scott Kirby 0E5F52Z51E9E4B5...

Name: Scott Kirby

Title: Trustee

By: Signed by: 1887AE5E7308400...

Name: Adam Salow

By: Signed by: Benjamin Carter 45E1AE150DAC443...

Name: Benjamin Carter

EXHIBIT A
MEMBERS

MEMBER AND ADDRESS FOR NOTICE	PERCENTAGE INTEREST	CAPITAL CONTRIBUTION
Kirby Living Trust Dated September 26, 2016 1817 Avenida Del Diablo Escondido, CA	51%	Redacted
Adam Salow 1817 Avenida Del Diablo Escondido, CA 92029	24.5%	Redacted
Benjamin Carter 1817 Avenida Del Diablo Escondido, CA 92029	24.5%	Redacted

CONSENT OF SPOUSE

The undersigned is the spouse of Adam Salow and acknowledges that she has read the foregoing Agreement dated May 21, 2025, and understands its provisions. The undersigned is aware that, by the provisions of the Agreement, he and his spouse have agreed to sell or transfer all his Membership Interest in the Company, including any community property interest or quasi-community property interest, in accordance with the terms and provisions of the Agreement. The undersigned expressly approves of and agrees to be bound by the provisions of the Agreement in its entirety, including, but not limited to, those provisions relating to the sales and transfers of Membership Interests and the restrictions on them. If the undersigned predeceases her spouse when her spouse owns any Membership Interest in the Company, she agrees not to devise or bequeath whatever community property interest or quasi-community property interest she may have in the Company in contravention of the Agreement.

Date: May 21, 2025

DocuSigned by:
Mary Ann Salow
60930FB52409423...

Mary Ann Salow

CONSENT OF SPOUSE

The undersigned is the spouse of Benjamin Carter and acknowledges that she has read the foregoing Agreement dated May 21, 2025, and understands its provisions. The undersigned is aware that, by the provisions of the Agreement, he and his spouse have agreed to sell or transfer all his Membership Interest in the Company, including any community property interest or quasi-community property interest, in accordance with the terms and provisions of the Agreement. The undersigned expressly approves of and agrees to be bound by the provisions of the Agreement in its entirety, including, but not limited to, those provisions relating to the sales and transfers of Membership Interests and the restrictions on them. If the undersigned predeceases her spouse when her spouse owns any Membership Interest in the Company, she agrees not to devise or bequeath whatever community property interest or quasi-community property interest she may have in the Company in contravention of the Agreement.

Date: May 21, 2025

Signed by:
5B537B12C1044B4...

Jessica Carter

EXHIBIT 6

to

Section §999.5(d)(9)

OPERATING AGREEMENT OF
BETHEL SKILLED CARE LLC

This OPERATING AGREEMENT ("**Agreement**") of Bethel Skilled Care LLC, a California limited liability company ("**Company**") is entered into as of April 8, 2025 by Bayshire Central Valley LLC, a California limited liability company ("**Sole Member**"), the sole member of Company in order to specify the business and operation of Company.

A. The Sole Member has formed the Company as a limited liability company under the Act (as defined herein) by filing Articles of Organization of the Company with the California Secretary of State on April 8, 2025, are hereby adopted and approved by the Sole Member.

B. The Sole Member wishes to enter into this Agreement to provide for the governance of the Company and the conduct of its business, and to specify their relative rights and obligations thereof.

NOW THEREFORE, the Sole Member agrees as follows:

ARTICLE I
DEFINITIONS

The following capitalized terms used in this Agreement have the meanings specified in this **Article I** or elsewhere in this Agreement, and when not so defined shall have the meetings set forth in the Act.

1.1 "Act" means the California Revised Uniform Limited Liability Company Act (Corporations Code §§17701.01-17713.13, including amendments from time to time.

1.2 "Capital Event" means a sale or disposition of any of the Company's capital assets, the receipt of insurance and other proceeds derived from the involuntary conversion of the Company property, the receipt of proceeds from a refinancing of Company property, or a similar event with respect to Company property or assets.

1.3 "Code" or "IRC" means the Internal Revenue Code of 1986, as amended, and any successor provision.

1.4 "Membership Interest" means a Person's entire percentage of interest and right to share in the income, gains, losses, deductions, credit, or similar items of, and to receive distributions from the Company, but does not include any rights of the Managers including the right to participate in management of the Company.

1.5 "Notice" means a notice in writing required or permitted under this Agreement. A notice shall be deemed given or sent when (a) deposited as certified, with return receipt requested, or as priority mail, with postage and fees prepaid, in the United States mail, (b) delivered to an overnight delivery carrier, with charges prepaid or charged to the sender's account, or (c) personally hand-delivered to the intended recipient.

1.6 "Person" means an individual, partnership, limited partnership, trust, estate, association, corporation, limited liability company, or other entity, whether domestic or foreign.

1.7 "Profits and Losses" means, for each fiscal year or other period specified in this Agreement, an amount equal to the Company's taxable income or loss for such year or period, determined in accordance with IRC §703(a).

1.8 "Regulations" or "Reg" means the income tax regulations promulgated by the United States Department of the Treasury and published in the Federal Register for the purpose of interpreting and applying the provisions of the Code, as such Regulations may be amended from time to time, including corresponding provisions of applicable successor regulations.

1.9 "Transfer" means, with respect to a Membership Interest, or any element of a Membership Interest, any sale, assignment, gift, Involuntary Transfer, or other disposition of a Membership Interest or any element of such a Membership Interest, directly or indirectly, other than an Encumbrance that is expressly permitted under this Agreement.

ARTICLE II
ARTICLES OF ORGANIZATION

2.1 The Articles of Organization were filed with the California Secretary of State on April 8, 2025; File Number 20250065931.

2.2 The name of the Company shall be Bethel Skilled Care LLC. All business of the Company shall be conducted under such name.

2.3 The principal executive office of the Company is located at 2280 Dockery Ave, Selma, California 93662 or at any other location as may be determined by the Managers from time to time.

2.4 The agent for service of process of the Company shall be National Registered Agents Inc. The Managers may from time to time change the Company's agent for service of process. If the agent ceases to act as such for any reason, the Manger shall promptly designate a replacement agent and notify the California Secretary of State of the change.

2.5 The Company shall engage in the business of (a) managing and operating assisted living health care facilities and (b) all other lawful activities necessary or appropriate in connection with the managing and operating assisted living health care facilities.

2.6 The Sole Member intends that the Company be a limited liability company under the Act and classified as a partnership for federal and state taxes to the maximum extent possible. The rights and liabilities of the Sole Member and the Managers shall be determined under the Act and by the provisions set forth in this Agreement. To the extent any such rights or obligations, as set forth in this Agreement, are in conflict with the Act, then the provisions of this Agreement shall govern, to the extent lawfully permitted by the Act.

2.7 The term of existence of the Company was effective as of April 8, 2025 and shall continue unless terminated by the provisions of this Agreement or as provided by law.

2.8 The Company shall have three Mangers. The Managers of the Company shall be the Scott B. Kirby, Benjamin Carter and Adam Salow.

ARTICLE III
CAPITAL AND CAPITAL CONTRIBUTIONS

3.1 The Sole Member shall contribute money, property and/or services to the capital of the Company as its initial contributing property (a "**Capital Contribution**"). The value of each item of Capital Contribution (net any liabilities secured by such contributing property) which the Company is considered to assume or to take "subject to" under IRC §752 shall be calculated based on the fair market value at the time of such calculation. The Sole Member's initial Capital Contribution is specified on **Exhibit A** attached hereto and incorporated herein.

3.2 The Sole Member may contribute to the capital of the Company any additional Capital Contributions as may be determined and required to (a) conduct the business of the Company, (b) conduct the business of any other entity in which the Company has ownership interest, and (c) provide capital that is reasonably necessary to acquire, develop, participate and/or make a new investment that is reasonably related to the business of the Company, on behalf of the Company ("**Additional Capital Contributions**").

3.3 An account shall be maintained for the Sole Member consisting of its Capital Contribution (a) increased by the Sole Member's share of Profits, (b) decreased by the Sole Member's share of Losses, and (c) adjusted as required in accordance with applicable provisions of the Code and Regulations ("**Capital Account**").

3.4 The Sole Member shall not be entitled to withdraw its Capital Contribution or to receive any distributions from the Company except as provided in this Agreement.

3.5 No interest shall be paid on a Capital Contribution or on the balance of the Sole Member's Capital Account.

3.6 The Sole Member shall not be bound by, or be personally liable for, the expenses, liabilities or obligations of the Company except as otherwise provided for in the Act or in this Agreement.

ARTICLE IV
ALLOCATIONS & DISTRIBUTIONS

4.1 The Profits and Losses of the Company and all items of the Company income, gain, loss, deduction or credit shall be allocated, for Company book purposes and for tax purposes, to the Sole Member.

4.2 Any unrealized appreciation or unrealized depreciation in the values of the Company property distributed in kind to the Sole Member shall be deemed to be Profits or Losses realized by the Company immediately prior to the distribution of the property and such Profits or Losses shall be allocated to the Sole Member's Capital Account. Any property so distributed shall be treated as a distribution to the Sole Member to the extent of the fair market value of the property less the amount of any liability secured by and related to the property. Nothing in this Agreement

is intended to treat or cause such distributions to be treated as sales for value. For the purposes of this Section 4.2, "unrealized appreciation" or "unrealized depreciation" shall mean the difference between the fair market value of such property and the Company's basis for such property.

4.3 In the event of a Transfer of any of the Sole Member's Membership Interests in the Company during any fiscal year, the assigning Sole Member's and assignee's Membership Interests shall be allocated in accordance with their share of Profits or Losses, based on the number of days each have held the Membership Interest during that fiscal year.

4.4 All cash resulting from the normal business operations of the Company and from a Capital Event shall be distributed to the Sole Member at such times as the Sole Member deems appropriate.

ARTICLE V
MANAGEMENT

5.1 The business of the Company shall be managed by the Managers named in Section 2.8, or a successor Manager selected in the manner provided in Section 5.2.

5.2 The Sole Member may appoint one or more non-Members as co-Managers or may resign as Managers at any time and appoint a non-Member as the Managers of the Company on such terms and conditions as the Sole Member and such Managers may agree.

5.3 The Managers may appoint individuals as officers of the Company and may delegate a portion of their day-to-day management responsibilities to any such officer or officers, as determined by the Managers from time to time, and such officers shall have the authority to contract for, negotiate on behalf of and otherwise represent the interests of the Company as so authorized by the Managers, provided that in no event shall any officer have any rights, duties, powers or authority greater than that so delegated or that of the Managers. The Managers shall be deemed the Chief Executive Officer of the Company.

5.4 Except as otherwise set forth in this Agreement, all decisions concerning the management of the Company shall be made by the Managers by written consent of the Managers kept in the records of the Company. The Managers shall have the power and duties described below and shall have all other powers and duties provided to Managers pursuant to the Act or other applicable law:

(a) To enter into, execute, acknowledge, deliver and file or record in a public office any document, certificate or other instrument necessary, desirable or appropriate to acquire, develop, participate and/or make a new investment reasonably related to the business of the Company, on behalf of the Company.

(b) To enter into, execute, acknowledge, deliver and file or record in a public office any document, certificate or other instrument necessary, desirable or appropriate to qualify the Company to transact business as a limited liability company in any jurisdiction in which the Company may conduct business.

(c) To enter into, execute, acknowledge, deliver and file or record in a public office any document, certificate or other instrument necessary, desirable or appropriate to amend this Agreement and/or to notify the California Secretary of State of any changes, as required by the Act.

(d) To enter into, execute, acknowledge, deliver and file or record in a public office any document, certificate or other instrument necessary, desirable or appropriate to wind up and dissolve the Company.

(e) To execute, acknowledge, deliver and file or record in a public office any document, certificate or other instrument necessary, desirable or appropriate to comply with the provisions of this Agreement.

5.5 The Managers shall be entitled to compensation as determined by the Sole Member for services provided and shall also be entitled to reimbursement and all reasonable expenses incurred by the Managers in the good faith performance of the Managers duties.

5.6 All assets of the Company, whether real or personal, shall be held in the name of the Company.

5.7 All funds of the Company shall be deposited in one or more accounts with one or more recognized financial institutions in the name of the Company, at such locations as shall be determined by the Managers. Withdrawal from such accounts shall require the signature of such person or persons as the Manager may designate.

ARTICLE VI
ACCOUNTS & RECORDS

6.1 Complete books of account of the Company's business, in which each Company transaction shall be fully an accurately entered, shall be kept at the Company's principal executive office.

6.2 Financial books and records of the Company shall be kept in accordance with the same method of accounting followed by the Company for federal income tax purposes. The financial statements of the Company shall be prepared to the greatest extent reasonably possible in accordance with generally acceptable accounting principles and shall be in a manner appropriate to and adequate for the Company's business and for carrying out the provisions of this Agreement. The fiscal year of the Company shall be January 1 through December 31.

6.3 At all times during the term of existence of the Company, and beyond that term if the Sole Member deems it necessary, the Managers shall keep or cause to be kept at the Company's principal executive officer the following:

(a) A current list of the full name and last known business address of the Sole Member, together with the Capital Contribution and the share in the Profits and Losses of the Sole Member;

(b) A copy of the Articles of Organization, as may be amended from time to time;

(c) Copies of the Company's federal, state and local income tax information, returns and reports, if any, for the six (6) most recent taxable years;

(d) An original executed copy or counterparts of this Agreement, and all amendments thereto;

(e) Any powers of attorney under which the Articles of Organization or any amendments thereto were executed;

(f) Financial statements of the Company for the six (6) most recent fiscal years; and

(g) The books and records of the Company as they relate to the Company's internal affairs for the current and past four (4) fiscal years.

6.4 At the end of each fiscal year, the books of the Company shall be closed and examined, statements reflecting the financial condition of the Company and its Profits and Losses shall be prepared, and a report about such matters shall be issued to the Company's certified public accountants. The Managers shall cause a copy of the financial statements and report to be given to the Sole Member within one hundred twenty (120) days after the end of the fiscal year.

6.5 Scott Kirby shall act as Tax Matters Partner of the Company under IRC §62319(a)(7). The Tax Matters Partner is authorized to perform all such duties and acts given a Tax Matters Partner in the Code.

ARTICLE VII

TRANSFER OF MEMBERSHIP INTERESTS

7.1 The Sole Member may Transfer any part of its Membership Interest in the Company. Notwithstanding any other provision of this Agreement to the contrary, any transferee who is a natural person may transfer all or any portion of his or her Membership Interest to any revocable trust created for the benefit of the transferee, or any combination between or among the transferee, the transferee's spouse and the transferee's issue; provided that the transferee retains a beneficial interest in the trust and all of the voting interest included in such Membership Interest.

ARTICLE VIII
DISSOLUTION & WINDING UP

8.1 The Company shall be dissolved on the first to occur of the following events:

(a) The affirmative decision of the Sole Member to dissolve the Company;

(b) The sale or other disposition of substantially all of the Company's assets; or

(c) Entry of a decree of judicial dissolution under the Act.

8.2 On the dissolution of the Company, the Company shall engage in no further business other than what is necessary to wind up the business and affairs of the Company. The Managers shall wind up the affairs of the Company and give written Notice of the commencement of winding up by mail to all known creditors and claimants against the Company whose addresses appear in the records of the Company. After paying or adequately providing for the payment of all known debts of the Company (except debts owing to the Sole Member), the remaining assets of the Company shall be distributed or applied in the following order of priority:

(a) To pay the expenses of liquidation.

(b) To the establishment of reasonable reserves for contingent liabilities or obligations of the Company. On the determination that reserves are no longer necessary, they shall be distributed as provide in this Section 8.2.

(c) To repay outstanding loans to the Sole Member, if any.

(d) To the Sole Member.

ARTICLE IX
INDEMNIFICATION

9.1 The Company shall have the power to indemnify any Person who was or is a party, or who is threatened to be made a party, to a proceeding by reason of the fact that the Person was or is a Member, Manager, officer, employee, or other agent of the Company, or was or is serving at the request of the Company as a director, officer, employee or other agent of another limited liability company, corporation, partnership, joint venture, trust or other enterprise, against expenses, judgments, fines, settlements, and other amounts actually and reasonably incurred by that Person in connection with the proceeding, if that Person acted in good faith and in a manner that the Person reasonably believed to be in the best interests of the Company, and in the case of a criminal proceeding, the Person had no reasonable causes to believe that the Person's conduct was unlawful.

9.2 The termination of any proceeding by judgment, order, settlement, conviction, or on a plea of nolo contendere or its equivalent, shall not, of itself, create a presumption that the Person did not act in good faith and in a manger that the Person reasonably believed to be in the best interest of the Company, or that the Person had reasonable cause to believe that the Person's conduct was unlawful.

9.3 To the extent that an agent of the Company has been successful on the merits in defense of any proceeding, or in defense of any claim, issue, or matter in any proceeding, the agent shall be indemnified against expenses actually and reasonably incurred in connection with the proceeding. In all other cases, indemnification shall be provided by the Company only if authorized in the specific case by the Sole Member and Managers.

9.4 Expenses of each Person indemnified under this Agreement actually and reasonably incurred in connection with the defense or settlement of a proceeding may be paid by the Company

in advance of the final disposition of the proceeding, as authorized by the Sole Member and Managers, on receipt of an undertaking by that Person to repay that amount unless it shall ultimately be determined that the Person is entitled to be indemnified by the Company.

ARTICLE X
GENERAL PROVISIONS

10.1 This Agreement constitutes the whole and entire agreement with respect to the subject matter of this Agreement.

10.2 This Agreement shall be construed and enforced in accordance with the laws of the State of California. If any provision of this Agreement is determined by any court of competent jurisdiction or arbitrator to be invalid, illegal, or unenforceable to any extent, that provision shall, if possible, be construed as though more narrowly drawn, if a narrower construction would avoid such invalidity, illegality, or unenforceability or, if that is not possible, such provision shall, to the extent of such invalidity, illegality, or unenforceability, be severed, and the remaining provisions of this Agreement shall remain in effect.

10.3 The article, section and paragraph titles and headings in this Agreement are inserted as a matter of convenience and for ease of reference only and shall be disregarded for all other purposes, including the construction or enforcement of this Agreement or any of its provisions.

10.4 This Agreement may be altered, amended or repealed only by a writing signed by the Sole Member.

10.5 Time is of the essence of every provision of this Agreement that specifies a time for performance.

10.6 This Agreement is made solely for the benefit of the parties to this Agreement and their respective permitted successors and assigns, and no other person or entity shall have or acquire any right by virtue of this Agreement.

10.7 The Sole Member intends the Company to be a limited liability company under the Act.

[*Signature on following page*]

IN WITNESS WHEREOF, the undersigned has caused this Agreement to be duly executed as of the date first above written.

SOLE MEMBER:

BAYSHIRE CENTRAL VALLEY LLC,
a California limited liability company

By: Scott B. Kirby
Name: Scott B. Kirby
Its: Manager

EXHIBIT A

Sole Member & Address	Initial Capital Contribution	Membership Interest
Bayshire Central Valley LLC 1817 Avenida Del Diablo Escondido, California 92029	$1,000	100%

Title 11, California Code of Regulations, § 999.5(d)(10)

A description of the Applicant's efforts to inform local governmental entities, professional staff, and employees of the health facilities, and the general public of the proposed transaction.

Applicant notified Bethel's department heads of the sale on March 31, 2025. A copy of the notice is attached to this Section 999.5(d)(1) as Exhibit 1. Applicant held meetings with the employees on April 3, 2025, and April 9, 2025. On June 20, 2025, Applicant provided each resident a letter advising them of the pending sale subject to governmental approvals. A copy of the notice to residents is attached to this Section 999.5 (d)(10) as Exhibit 2.

Applicant provided a news release to the following newspapers on June 21, 2025: Fresno Bee, Selma Enterprise, Reedley Exponent, Sanger Herald, and The Business Journal. A copy of the press release is attached to this Section 999.5(d)(I0) as Exhibit 3.

A follow up letter to employees and residents confirming the transfer was provided July 1, 2025. A copy of the notice to employees is attached to this Section 999.5 (d)(10) as Exhibit 4.

EXHIBIT 1

to

Section §999.5(d)(10)

In Our Home
We respect Personal *Independence,*
Stress *Individuality* and provide *Christian Fellowship*

2280 Dockery Avenue
Selma, California 93662
(559) 896-4900
FAX (559) 896-6842

Dear Bethel Lutheran Home Staff:

Bethel Home is approaching 100 years of serving thousands of elderly people. Many wonderful people, like you, have had a big part in making Bethel Home a place where care, dignity, and compassion have become trademarks. The Selma community has also played an important part in supporting Bethel. Some of my earliest memories are of making tray favors in my Brownie troop for Bethel Home and Christmas caroling every Christmas with my church.

It was with great sadness when the board at Bethel Home recently had to face the reality that we could no longer survive financially. We realize that we are not alone. The American Health Care Association predicts that as many as 1600 nursing homes could close this year. In 2024, there were 90% fewer new nursing home opening, as compared to 2020. With rising costs, rising wages, more compliance requirements, and Medicare and Medical reimbursements not covering expenses, we realized it was time to sell. It was not something we wanted to do but strongly felt now was the time.

Several months ago, we began the long process of selling. We knew what our priorities were and that was to protect our residents, retain our staff, maintain our values, and for a smooth transition to occur. We actually had many groups wanting to purchase Bethel, thanks to a great staff who have given Bethel the good reputation that it has.

The Board of Directors did not take this decision lightly. We have researched, discussed, prayed together and individually, and there have been many sleepless nights as we knew that this decision affected so many people. The board finally reached an agreement to sell to Jericho Care Group. Jericho Care Group is operating 7 homes in the Fresno area successfully. Although the sale will not be complete for several more months, you will hear more about them from them in the near future.
Change is never easy. Yes, there might be some changes and we choose to think they will be good ones. Jericho wants a smooth transition and I trust we will all work together during transitioning for the sake of our residents. We desire our valued employees to continue serving at Bethel Home. We need you, especially during this time.

May we all find comfort and strength in knowing that Bethel's legacy will not end with this sale. It will live on in the many lives touched by Bethel Lutheran Home for nearly a century and in the future as well.

Thank you for your service and for being such an important part of the Bethel Lutheran Home family!

Sincerely,

Laurel Jacobsen

Laurel Jacobsen
Bethel Lutheran Home Board of Director's President

EXHIBIT 2

to

Section §999.5(d)(10)

In Our Home
We respect Personal *Independence,*
Stress *Individuality* and provide *Christian Fellowship*

2280 Dockery Avenue
Selma, California 93662
(559) 896-4900
FAX (559) 896-6842

Dear Bethel Lutheran Home Residents and Families:

The purpose of this letter is to inform you that Bethel Lutheran Home, Inc. has recently agreed to transfer its facilities to the Jericho Care Group. The Jericho Care Group owns and operates a number of skilled nursing facilities, one assisted living facility, and one independent living facility in the Central Valley of California. The Board of Directors believes Jericho is an excellent choice to continue Bethel Lutheran Home's unwavering commitment that the residents receive high quality care.

In operation for nearly the last 100 years, we have had the privilege and ministry to offer care to numerous people. However, Bethel Lutheran Home is now unable to continue operating the facility without borrowing substantial sums of money which will ultimately lead to its demise as a result of inflation, rising insurance costs, increased employee benefit costs, workforce shortage pressures, the state bed tax, and other costs. After much discussion and prayer, the Board of Directors made the decision to sell all of its facilities. This decision was not taken lightly and the Board and Bethel Lutheran Home members concluded that it is in the best interests of the residents to sell so that our residents may continue to receive high quality care.

The sale of Bethel Lutheran Home to Jericho Care Group is subject to certain approvals which must be obtained from California state agencies. The approval process is typically a several month process. We will provide you with additional information concerning the status of approvals as soon as we can reasonably do so.

Thank you for your support and understanding during this time of transition.

Sincerely,
Laurel Jacobsen
Bethel Lutheran Home Board of Director's President

EXHIBIT 3

to

Section §999.5(d)(10)

For Immediate Release

Bethel Lutheran Home, Inc. to transfer ownership of skilled nursing care, assisted living, and assisted living facilities to Jericho Care Group.

Selma, California: July 8, 2025. Bethel Lutheran Home, Inc., a non-profit religious corporation, which provides skilled nursing care, assisted living and unassisted living, since 1927, announced the sale of its facilities to Jericho Care Group.

California nursing homes have faced strong economic headwinds as a result of inflation, rising insurance costs, increased employee benefit costs, workforce shortage pressures, the state bed tax, inadequate reimbursement rates from the state and other costs which make it difficult to remain profitable. As result of these economic factors, Bethel Lutheran Home has recently agreed to transfer its facilities to the Jericho Care Group. The Jericho Care Group owns and operates a number of skilled nursing facilities, one assisted living facility, and one independent living facility in the Central Valley of California.

The Bethel Lutheran Home board of directors believes Jericho Care Group is an excellent choice to continue Bethel Lutheran Home's unwavering commitment that the residents receive high quality care.

The transaction to sell Bethel Lutheran Home's facilities to the Jericho Care Group is subject to certain approvals which must be obtained from California state agencies prior to consummation of the transfer.

EXHIBIT 4

to

Section §999.5(d)(10)

In Our Home
We respect Personal *Independence,*
Stress *Individuality* and provide *Christian Fellowship*

2280 Dockery Avenue
Selma, California 93662
(559) 896-4900
FAX (559) 896-6842

July 1, 2025

Dear Bethel Lutheran Home Staff and Residents:

You recently received a letter from me explaining that Bethel Lutheran Home will be transferring its facilities to the Jericho Care Group in the next few months upon receiving certain approvals from California state agencies. Meanwhile, we are happy to announce that Benjamin Carter, Co-owner/Operator of Jericho Care Group will become the Administrator of Bethel Lutheran Home effective Monday, July 7. Benjamin can now become familiar with the operations at Bethel before the sale is complete and also apply his experience and knowledge to create a bright future at Bethel Lutheran Home.

Focusing on establishing a culture of care for both staff and residents will be the primary focus to our new Administrator. Bethel will continue to employ all of our great employees and together we will continue the incredible legacy of care Bethel Lutheran Home has already established.

We are so thankful to have had Kristine Williams as our interim administrator in the past few months. She has been extremely valuable to Bethel Home. We know that change is not always easy but often necessary and often advantageous. Join us as we welcome Benjamin Carter to Bethel Lutheran Home.

Sincerely,

Laurel Jacobsen
Bethel Lutheran Home Board of Director's President

EXHIBIT 1

to

Section §999.5(d)(11)(E)

JERICHO CARE
GROUP

March 4, 2025

VIA EMAIL

Board of Directors

RE: Bethel Lutheran Home located at 2280 Dockery Ave., Selma, CA 93662

Dear Board of Directors,

This Letter of Intent ("LOI") is submitted by Jericho Care Group ("Buyer") to express our interest in purchasing Bethel Lutheran Home, located at 2280 Dockery Ave. Selma, CA 93662, including all associated assets and operations (the "Property"), from Bethel Lutheran Home ("Seller").

The principal terms of this transaction shall be as follows:

Purchase Price and Terms:	$6,500,000.00, subject to appraisal and lender approval.
Deposit:	$50,000.00 deposit once all conditions are removed. This deposit shall go towards the purchase price.
Name of Community:	Buyer will name the community Bethel Senior Living.
Close of Escrow:	The close of escrow will be in approximately 60 – 90 days in accordance with the timeline of the lender.
Solvency During Escrow:	Buyer will cover financial operational shortfalls during escrow, with any Buyer contributions to be deducted from the final price to ensure solvency. If Buyer does not close on the property, any such funds provided by the Buyer to the Seller shall be returned to the Buyer.
Due Diligence:	Buyer shall have a due diligence period of twenty-one (21) days from the execution of

JERICHO CARE GROUP

	the Purchase Agreement to investigate the Property.
Exclusivity:	Upon execution of this LOI, Seller agrees not to negotiate with any other party regarding the sale of the Property for a period of ninety (90) days. ("Exclusivity Period").
Confidentiality:	All parties agree to maintain confidentiality regarding this LOI and any shared financial and operational information.
Non-Binding Agreement:	This LOI is non-binding except for the **Confidentiality** and **Exclusivity** provisions. A legally binding Purchase Agreement shall be negotiated and executed by both parties.

If you agree with the terms outlined above, please sign below as an indication of mutual intent to proceed.

Sincerely,

Jericho Care Group

_____ _____

Benjamin Carter Adam Salow

Founders of Jericho Care Group

Agreed and Accepted

By: _____	By: _____	By: _____
Name: _____	Name: _____	Name: _____
Title: _____	Title: _____	Title: _____
Date: _____	Date: _____	Date: _____

JERICHO CARE
GROUP

By: _____	By: _____	By: _____
Name: _____	Name: _____	Name: _____
Title: _____	Title: _____	Title: _____
Date: _____	Date: _____	Date: _____

By: _____	By: _____	By: _____
Name: _____	Name: _____	Name: _____
Title: _____	Title: _____	Title: _____
Date: _____	Date: _____	Date: _____

EXHIBIT 2

to

Section §999.5(d)(11)(E)

JERICHO CARE
GROUP

Benjamin Carter & Adam Salow
benjamin.carter@jerichocare.com
adam.salow@jerichocare.com
Tel: (858) 342-4998

March 4, 2025

Board of Directors
Bethel Lutheran Home
2280 Dockery Ave.
Selma, CA 93662

Re: Letter of Intent to Purchase Bethel Lutheran Home

Dear Members of the Board,

We are pleased to submit the attached Letter of Intent (LOI) to express our interest in acquiring Bethel Lutheran Home. With a deep appreciation for the community's mission and the quality of care provided to its residents, we are eager to explore this opportunity further and engage in discussions that will ensure a seamless transition while upholding the highest standards of service and care.

Jericho Care Group is the only owner/operator of skilled nursing facilities that is headquartered in the Central Valley with a reputation of serving and caring for the local community. As committed professionals in senior care and housing, we understand the importance of maintaining the integrity, financial stability, and operational excellence of a senior care community.

Our vision for Bethel Lutheran Home is to build upon its legacy while enhancing its services to meet the evolving needs of residents and their families. We will name the community **Bethel Senior Living** to ensure the legacy you have built will continue.

Key aspects of our intended acquisition include:

- Preserving the core values and mission of Bethel Lutheran Home. Jericho Care Group is a faith-centered company with a mission to enrich lives in happy, helpful, and heartfelt ways and we are committed to honoring the legacy and tradition of the care Bethel Lutheran has provided to the community.
- Ensuring continuity in high-quality care and resident satisfaction.

JERICHO CARE
GROUP

- Strengthening financial sustainability and operational efficiency.
- Upon signing the LOI, Jericho will immediately install a consultant to limit losses and maintain the care and culture of the community.
- Jericho will make up any losses during escrow and will deduct our contributions from the final price to ensure solvency.

By way of background, Jericho purchased an almost exact model match (Twilight Haven) in March 2024 for $7.325M. The differences are Twilight has 50 SNF beds, instead of 59 SNF beds, 114 ALF beds instead of 33 ALF beds, and 60 ILF units instead of 36 ILF units. Jericho is willing to provide the Board with the appraisal of Twilight Haven, which outlines the valuation process; comparable sales being the most influential.

Given the similarities between Twilight Haven and Bethel Lutheran Home, Jericho is offering **$6.5 Million** pending lender/appraisal approval. A higher offer would struggle to be appraised and approved for financing due to the comparable sale (Twilight Haven). Any buyer without an all-cash offer will need to have a lender appraise and approve a loan.

From our understanding of your current situation, the amount of time it will take any potential buyer to assess, submit an offer, and close with a lender will likely mean drastic changes to the facility before closing (failed payroll, residents suffering from disappearing staff, vendors not delivering, etc.) As stated above, Jericho is offering to cover any losses during escrow and will deduct our contributions from the final price to ensure solvency.

We are prepared to move forward expeditiously with due diligence and to work closely with the Board to develop a mutually beneficial agreement. We welcome the opportunity to discuss this proposal in greater detail and to collaborate on a transition plan that serves the best interests of the residents, staff, and broader community.

Thank you for your time and consideration. We look forward to your response and the opportunity to further discuss this significant endeavor.

Sincerely,

Benjamin and Adam

Founders of Jericho Care Group

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RC COMMERCIAL LTD.

March 21, 2025

Jericho Care Group
Benjamin Carter
Adam Salow

Re: Bethel Lutheran Home
2280 Dockery &
1250 Rorden Ave
Selma, CA 93662
APN#s 389-320-29 & 389-320-33

Dear Mr. Carter and Mr. Salow,

Thank you for the purchase offer LOI dated March 4, 2025 for the above reference property. The Seller is making Multiple Counter Offers to other prospective Buyers on terms that may or may not be the same in this Multiple Counter Offer. Seller reserves the right to choose any offer even if Buyer accepts this Multiple Counter Offer. Please find summarized below the terms and conditions under which Bethel Lutheran Home Inc, would consider entering into a formal purchase agreement with Jericho Care Group for the referenced property.

1. **Property**:
   2280 Dockery & 1250 Rorden Ave Selma, CA 93662
   APN#s 389-320-29 & 389-320-33

2. **Seller**:
   Bethel Lutheran Home Inc.

3. **Buyer**:
   Jericho Care Group

4. **Purchase Price:**
   Six Million Nine Hundred Fifty Thousand Dollars ($6,950,000)
   - Purchase Price Includes the following items:
     - All furniture, fixtures, and equipment owned by Seller
     - Assignable permits, licenses, approvals, entitlements, certifications and other governmental authorizations
     - Accounts receivable at the time of closing
     - Responsibility of all pending and future worker comp claims and lawsuits

5. **Title Company:**
   Old Republic Title – Donna Brown

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6. **Due Diligence Period:**
   - Due Diligence Period 1 - Buyer shall have Twenty One (21) days following the mutual execution of the Purchase Agreement to review financials, title report, existing contracts, leases, physical inspection, etc.
   - Due Diligence Period 2 - Buyer shall have Twenty One (21) days following the expiration of Due Diligence Period 1 for loan and appraisal.

7. **Initial Deposit:**
   Buyer shall deposit Seventy-Five Thousand and No/100 Dollars ($75,000) with Title Company within three (3) business days from a mutually executed Purchase Agreement. At the completion of the Due Diligence Period 1, the Deposit shall become non-refundable to Buyer, released to the Seller and credited toward the Purchase Price.

8. **Additional Deposits:**
   - Additional Deposit 1 - Within Three (3) business days following the completion of the Due Diligence Period 1, buyer shall deposit an additional Seventy-Five Thousand Dollars ($75,000) into escrow that will immediately become non-refundable and released to the Seller, and shall be applied to the Purchase Price.
   - Additional Deposit 2 - Within Twenty-One (21) days following the Additional Deposit 1, buyer shall deposit an additional Seventy-Five Thousand Dollars ($75,000) into escrow that will immediately become non-refundable and released to the Seller, and shall be applied to the Purchase Price.

9. **Close of Escrow:**
   Close of Escrow to occur Fifteen (15) days, or sooner, following the Attorney General and state approvals but not to exceed one hundred eighty (180) days.

10. **Purchase Agreement:**
    Within five (5) business days from the parties' mutual acceptance of this Letter of Intent, Buyer shall deliver a draft of a binding Purchase Agreement for approval by Seller. The Purchase Agreement shall incorporate the terms and conditions of this Letter of Intent, as refined by negotiations and drafting, together with such other terms and conditions requested and acceptable to the parties hereto.

11. **Escrow/Title Fees:**
    All escrow and title fees to be split as customary in Fresno County. Seller to pay for owner's title policy.

12. **Broker:**
    Seller is represented by RC Commercial LTD and Buyer is representing themselves. Seller shall pay the commission to Seller's Broker only pursuant to a separate agreement.

13. **Continued Pastoral Services:**
    Buyer shall continue with all current pastoral services for both properties.

14. **Confidentiality:**
    The parties will maintain all Confidential Information in confidence and will not disclose such information to any other party without written consent. "Confidential Information"

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includes the terms of this letter, the purchase agreement and any and all information whether in oral, written or other form, which is communicated by Buyer to Seller relating to this transaction.

Confidential Information may be released to the parties' employees, partners, consultants and lenders who have a reasonable need for such Confidential Information, provided that such individuals agree to maintain the confidential nature of the information. This provision will be binding upon execution of this letter even if the parties do not enter into a purchase agreement.

This proposal is not a contract, nor does it create any legal obligations on the part of Seller or Buyer. No legal obligations will be created unless a contract has been duly executed by all parties thereto and delivered to Seller. Any expenditures or obligations undertaken by either party prior to the delivery and execution of such contract shall be at the party's sole cost and expense. No party shall have any legal rights or obligations with respect to the other, and no party shall take any action or fail to take action in detrimental reliance until definitive written agreements are prepared and signed by all parties involved.

If the foregoing is acceptable, please sign in the space provided below, and return a copy to me. This offer shall expire seven (7) days from delivery if Buyer has not responded.

Sincerely,
RC COMMERCIAL LTD.

Derek J. Feramisco
CA DRE License #01427540

AGREED TO AND ACCEPTED:

BUYER: BGA _____ Date: 3/24/25
Jericho Care Group

BUYER: Adam Salow _____ Date: 3/24/25
Jericho Care Group

SELLER: DocuSigned by: LAUREL JACOBSEN _____ Date: 3/28/2025
Bethel Lutheran Home

Title 11, California Code of Regulations, § 999.5(d)(11)(F)

The Applicant's prior two annual audited financial statements, the Applicant's most current unaudited financial statement, business projection data, and current capital asset valuation data

1. Attached to this Section 999.5(d)(11)(F) as Exhibit 1 are the Applicant's 2022 and 2021 unaudited financial statements.

2. Attached to this Section 999.5(d)(11)(F) as Exhibit 2 are the Applicant's 2023 unaudited financial statements.

2. Attached to this Section 999.5(d)(11) (F) as Exhibit 3 are the Applicant's unaudited consolidated financial statements through March 2025.

Bethel is not required to have audited financial statements as it not required to file reports with the Attorney General's office. Cal. Gov. Code §12586(e)(1) provides in pertinent part that a charitable corporation with gross annual revenue of $2,000,000 or more AND that is already required to file reports with the Attorney General must have an audited financial statement prepared by an independent CPA, and available for inspection by the Attorney General and by members of the public within nine months of the close of the fiscal year to which the statements relate.

EXHIBIT 1

to

Section §999.5(d)(11)(F)

BETHEL LUTHERAN HOME, INC.

FINANCIAL STATEMENTS AND SUPPLEMENTARY INFORMATION

FOR THE YEARS ENDED DECEMBER 31, 2022 AND 2021
AND
INDEPENDENT ACCOUNTANT'S REPORT

BETHEL LUTHERAN HOME, INC.

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JIM G. SABBATINI
Certified Public Accountant

1450 East Front Street
Selma, California 93662

Telephone (559) 896-9178
Facsimile (559) 896-0660

INDEPENDENT ACCOUNTANT'S REPORT

To the Board of Directors
Bethel Lutheran Home, Inc.
Selma, California

Review of the December 31, 2022 Financial Statements
I have reviewed the accompanying financial statements of Bethel Lutheran Home, Inc. which comprise of the balance sheets as of December 31, 2022 and the related statements of operations, statement of functional expenses, changes in net assets, statement of cash flows for the years then ended, and related notes to the financial statements. A review includes primarily applying analytical procedures to management's financial data and making inquiries of the Home's management. A review is substantially less in scope than an audit, the objective of which is the expression of an opinion regarding the financial statements as a whole.

Management Responsibility for the Financial Statements
Management is responsible for the preparation and fair presentation of financial statements in accordance with accounting principles generally accepted by the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement whether due to fraud or error.

Accountant's Responsibility
My responsibility is to conduct the review engagement in accordance with Statement of Standards for Accounting and Review Services promulgated by the Accounting and Review Services Committee of the AICPA. Those standards require me to perform procedures to obtain limited assurance as a basis for reporting whether I am aware of any material modifications that should be made to the financial statements for them to be in accordance with accounting principles generally accepted in the United States of America. I believe that the results of my procedures provide a reasonable basis for my conclusion.

I am required to be independent of Bethel Lutheran Home and to meet all the ethical responsibilities in accordance with the relevant ethical requirements related to my reviews.

Emphasis of Matter
The accompanying financial statements have been prepared assuming that Bethel Lutheran Home, Inc. (the Home) will continue to operate as a going concern. The prior year's financial statements were issued with an emphasis of matter regarding the uncertainty of the Home's ability to operate as a going concern. Management's evaluation of events and conditions to mitigate these matters are described in Note S. The financial statements do not include any adjustments that might result from the outcome of the uncertainty. My conclusion is not modified with respect to this matter.

Accountant's Conclusion
Based on my review, I am not aware of material modifications that should be made to the accompanying financial statements in order for them to be in accordance with accounting principles generally accepted in the United States of America.

Compilation of the December 31, 2021 Financial Statements
The accompanying December 31, 2021 financial statements of Bethel Lutheran Home, Inc. were previously compiled by me, and in my report dated June 17, 2022, I stated that I did not express an opinion, a conclusion, nor provide any assurance on the December 31, 2021 financial statements. I have not performed any compilation procedures since that date.

Jim G Sabbatini
Certified Public Accountant
Selma, California

March 15, 2023

BETHEL LUTHERAN HOME, INC.

BALANCE SHEET
FOR THE YEARS ENDED DECEMBER 31, 2022 (REVIEWED) AND 2021 (COMPILED)

ASSETS:

	Reviewed 2022	Compiled 2021
CURRENT ASSETS:		
Cash and equivalents (Note O)	$ 936,510	$ 490,870
Patient and resident accounts receivable, net of allowance of $186,000 and $168,000 respectively (Note O)	499,632	368,322
Prepaid expenses and deposits	100,939	155,555
TOTAL CURRENT ASSETS	1,537,081	1,014,747
ASSETS LIMITED AS TO USE (Notes C, D, I and J):		
Cash and investments designated by Board of Directors	302,511	569,169
Less amounts due donor restricted fund	(34,647)	(34,647)
	267,864	534,522
Cash and investments temporarily restricted by donors for specific purposes (Notes C, D, I and J)	115,425	160,143
Amount due from funds designated by Board of Directors	34,647	34,647
	150,072	194,790
PROPERTY AND EQUIPMENT (Note F)	10,292,216	10,118,557
Less accumulated depreciation and amortization	(6,731,059)	(6,492,706)
	3,561,157	3,625,851
	$ 5,516,174	$ 5,369,910

See Accountant's Report and the notes to the financial statements which are an integral part of the financial statements.

LIABILITIES AND NET ASSETS:

	Reviewed 2022	Compiled 2021
CURRENT LIABILITIES:		
Note payable - line of credit (Note K)	$ 161,884	$ 182,593
Accrued expenses	307,107	254,056
Accounts payable	612,878	720,378
Security deposits - Village	98,625	108,603
Current portion due of notes payable	55,896	1,012,472
TOTAL CURRENT LIABILITIES	1,236,390	2,278,102
NOTES PAYABLE - net of current portion (Note L)	2,183,648	2,183,648
TOTAL LIABILITIES	4,132,861	4,461,750
SBA mortgage accrued interest (Note S)	44,420	
TOTAL LIABILITIES	5,413,671	4,461,750
COMMITMENTS AND CONTINGENCIES (Note N)		
NET ASSETS		
Without donor restrictions	(47,569)	713,370
With donor restrictions	150,072	194,790
	102,503	908,160
	$ 5,516,174	$ 5,369,910

BETHEL LUTHERAN HOME, INC.

STATEMENTS OF OPERATIONS
FOR THE YEARS ENDED DECEMBER 31, 2022 (REVIEWED) AND 2021 (COMPILED)

	Reviewed 2022	Compiled 2021
UNRESTRICTED REVENUES, GAINS AND OTHER SUPPORT:		
Patient Service Revenues	$ 5,867,997	$ 4,781,560
Provision - doubtful accounts	(290,609)	(86,110)
Net patient service revenue	5,577,388	4,695,450
Residential rents - assisted care	243,284	186,683
Village rents - independent living	800,267	701,846
Building rental	42,000	25,190
Employee retention credit - grant (Note R)	264,383	
ERC filing fee	(39,657)	
ERC interest income	14,924	
QAF estimated liability adjustment (Note M)	98,753	
Other operating	36,581	30,160
Contributions	47,873	364,721
Net assets released from restrictions used for operations	21,087	70
Total revenues, gains and other support (Note Q)	7,106,883	6,004,120
OPERATING EXPENSES:		
Salaries and benefits	4,795,889	4,094,617
Contracted health care personnel	246,155	255,658
Professional and consultant fees	235,302	255,440
Supplies	695,040	518,713
Repairs and maintenance	223,702	194,971
Utilities	334,212	311,950
Insurance	226,105	173,388
Taxes and licenses	103,009	75,678
Quality assurance fee	335,808	272,418
Interest expense	222,040	146,130
Administrative expenses	150,141	99,759
Depreciation	238,353	231,616
	7,805,756	6,630,338
Excess of Revenue over (Under) Expenses, Gains and Other Support	(698,873)	(626,218)
Non Operating Investment Income (Loss) (Note H)	(62,066)	70,280
(DECREASE) INCREASE IN UNRESTRICTED NET ASSETS	**$ (760,939)**	**$ (555,938)**

See Accountant's Report and the notes to the financial statements which are an integral part of the financial statements.

BETHEL LUTHERAN HOME, INC.

STATEMENTS OF FUNCTIONAL EXPENSES
FOR THE YEARS ENDED DECEMBER 31, 2022 (REVIEWED) AND 2021 (COMPILED)

For the year ending December 31, 2022 (Reviewed)

	Skilled Nursing and Assisted Living	Independent Living	Rental	Management and General	Total
Salaries and benefits	$ 3,824,952	$ 469,359		$ 501,578	$ 4,795,889
Contracted health care personnel	246,155				246,155
Professional and consultant fees	219,354	3,556		12,392	235,302
Supplies	602,852	92,188			695,040
Repairs and maintenance	139,759	83,943			223,702
Utilities	247,435	68,498		18,279	334,212
Insurance	182,186	43,919			226,105
Taxes and licenses	82,453	13,854	$ 6,702		103,009
Quality assurance fee	335,808				335,808
Mortgage interest			5,549		137,700
Interest	84,340	132,151			84,340
Administrative expenses		1,415	9,512	139,214	150,141
Depreciation and amortization	81,119	144,059	13,175		238,353
	$ 6,046,413	$ 1,052,942	$ 34,938	$ 671,463	$ 7,805,756

For the year ending December 31, 2021 (Compiled)

	Skilled Nursing and Assisted Living	Independent Living	Rental	Management and General	Total
Salaries and benefits	$ 3,353,606	$ 329,037	$ 56,003	$ 355,971	$ 4,094,617
Contracted health care personnel	255,658				255,658
Professional and consultant fees	197,533	9,760		48,147	255,440
Supplies	437,993	80,720			518,713
Repairs and maintenance	112,624	80,973	1,374		194,971
Utilities	235,147	57,629	362	18,812	311,950
Insurance	141,679	31,709			173,388
Taxes and licenses	59,598	13,398	2,682		75,678
Quality assurance fee	272,418				272,418
Mortgage interest		59,486			59,486
Interest	86,644				86,644
Administrative expenses		3,602	221	95,936	99,759
Depreciation and amortization	71,668	143,479	16,469		231,616
	$ 5,224,568	$ 809,793	$ 77,111	$ 518,866	$ 6,630,338

See Accountant's Report and the notes to the financial statements which are an integral part of the financial statements.

BETHEL LUTHERAN HOME, INC.

STATEMENTS OF CHANGES IN NET ASSETS
FOR THE YEARS ENDED DECEMBER 31, 2022 (REVIEWED) AND 2021 (COMPILED)

	Reviewed 2022	Compiled 2021
NET ASSETS WITHOUT DONOR RESTRICTIONS:		
Excess of revenue over (under) expenses	$ (698,873)	$ (626,218)
Non operating investment income (loss)	(62,066)	70,280
Increase (Decrease) in Assets Without Donor Restrictions	(760,939)	(555,938)
NET ASSETS WITH DONOR RESTRICTIONS:		
SPECIAL PURPOSE FUNDS:		
Contributions		
Investment income net of management fees	3,940	3,759
Unrealized and realized gain (loss) on marketable securities	(27,571)	8,494
Net assets released from restrictions for operations	(21,087)	(70)
Increase (Decrease) in Special Purpose Funds	(44,718)	12,183
(DECREASE) INCREASE IN NET ASSETS	**(805,657)**	**(543,755)**
NET ASSETS AT BEGINNING OF YEAR	908,160	1,451,915
NET ASSETS AT END OF YEAR	**$ 102,503**	**$ 908,160**

See Accountant's Report and the notes to the financial statements
which are an integral part of the financial statements.

BETHEL LUTHERAN HOME, INC.

STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED DECEMBER 31, 2022 (REVIEWED) AND 2021 (COMPILED)

CASH FLOWS FROM OPERATING ACTIVITIES:	2022	2021
Changes in net assets	$ (805,657)	$ (543,755)
Adjustments to reconcile change in net assets to net cash provided by operating activities:		
Depreciation	238,353	231,616
Allowance for bad debt expense	18,000	66,000
Net (realized) unrealized loss (gains) on investments other than trading	72,590	(42,407)
Changes in current operating assets and liabilities:		
(Increase) decrease patient & resident accounts receivable	(149,310)	65,790
Decrease (increase) in prepaid expense	54,616	(26,310)
(Decrease) increase in Village tenant deposits	(9,978)	14,183
Increase (decrease) in accrued expenses	53,051	(143,798)
Increase in SBA accrued interest	44,420	
Increase (decrease) in accounts payable	(107,500)	178,618
Net Cash (Used) Provided by Operating Activities	(591,415)	(200,063)
CASH FLOW FROM INVESTING ACTIVITIES:		
Decrease (increase) in donor restricted investments	44,718	(12,183)
Purchases of property and equipment	(173,659)	(52,397)
Proceeds from sale of investments	223,139	1,515,198
Purchase of investments	(29,071)	(1,085,572)
Net Cash Provided (Used) by Investing Activities	65,127	365,046
CASH FLOW FROM FINANCING ACTIVITIES:		
Payments on Thrivent line of credit	(20,709)	(27,959)
Payments to Sierra View note payable	(62,428)	(59,104)
Payments on Courtney Moore note payable	(26,890)	(26,282)
Payments National Acquisition note payable	(895,943)	(310)
Payments National Acquisition Village note payable	(22,102)	(75,169)
Borrowings SBA note payable	2,000,000	
Net Cash Provided (Used) in Financing Activities	971,928	(188,824)
Net (Decrease) Increase in Cash and Cash Equivalents	445,640	(23,841)
CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR	$ 490,870	$ 514,711
CASH AND CASH EQUIVALENTS, END OF YEAR	**$ 936,510**	**$ 490,870**
CASH PAID DURING THE YEAR FOR INTEREST	$ 190,061	$ 133,397

See Accountant's Report and the notes to the financial statements which are an integral part of the financial statements.

(See Accountant's Report)

A. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Organization

Bethel Lutheran Home, Inc. (the Home) is a not-for-profit religious corporation established in 1928 whose purpose is to operate a multi-level senior retirement community. The Home maintains affiliation with the "Evangelical Lutheran Church in America." The members of the corporation include Lutheran congregations located within the San Joaquin Valley of California. The members of the congregations elect the Board of Directors who governs the Home. The Home is affiliated with Social Ministry Organization of the Sierra Pacific Synod of the Evangelical Lutheran Church.

The Home's principal mission is to be a senior community rooted in Christian values. The Home is considered a large extended family where residents and patients are placed in "Caring Hands" whereby staff, residents and patients together facilitate a higher quality of life.

The Home's operations include a 59-bed skilled nursing facility, a residential care facility with 25 apartments and a senior independent living village consisting of 36 condominium units.

Basis of Presentation

The financial statement presentation follows accounting principles generally accepted in the United States of America, and more specifically the 2019 AICPA Audit Guide for Health Care Entities. On August 18, 2016, the Financial Accounting Standards Board issued ASU 2016-14 Presentation of Financial Statements of Not for Profit Entities effective for years starting after December 15, 2017. The health care guide requires Not for Profit (NFP) business health care entities to apply the NFP financial reporting model.

The new guidance requires NFP's to present on the face of the balance sheet, the amount for each of two classes of net assets - ***net assets with donor restrictions*** and ***net assets without donor restrictions*** as opposed to the three classes utilized in prior years of unrestricted, temporarily restricted and permanently restricted.

A. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Basis of Presentation (continued)

In addition, the guidance requires additional information about liquidity both quantitatively and qualitatively and about how the Home manages its liquid resources available to meet cash needs for general expenditures within one year of the date of the balance sheet date. The new standards also require all NFP's to provide information about their operating expenses by both nature and function.

Net Assets Without Donor Restrictions are not subject to donor imposed restrictions and may be expended for any purpose in performing the primary mission of the Home. The net assets may be used at the discretion of the Home's management and the Board of Directors.

Net Assets With Donor Restrictions are subject to stipulations imposed by donors. Some donor restrictions are temporary in nature, such as funds that are restricted for capital additions, mortgage retirement and mobility which are met by the actions of the Home when spent for specific purposes.

Method of Accounting

The Home uses the accrual basis method of accounting in accordance with the accounting principles generally accepted in the United States of America.

Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and reported revenues and expenses during the reporting period. Actual results could differ from those estimates.

A. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Assets Limited as to Use

Assets limited as to use include donor restricted assets that have been limited for specific purposes, period of time or in perpetuity. The Home has two funds that are donor restricted in purpose, namely the patient mobility fund and its capital improvement and mortgage retirement fund. Also included are assets without donor restrictions, but subject to self-imposed restrictions by the Board of Directors for future capital improvements, a reserve for operating expenses and contingencies. The Board retains control over board designated funds, and may at its discretion, use those funds for other purposes.

Donated Property

Donated property and other non-cash donations are recorded as contributions at their estimated market value at the date of the donation. Assets without donor restrictions are included in unrestricted revenues and included in the excess of revenues over (under) expenses. Gifts are reported as assets with donor restrictions when they are received with donor stipulations that limit the use of the funds or donated asset. When a donor restriction expires and its purpose is accomplished, donor restricted assets are reclassified as an asset without donor restrictions in the Statement of Changes in Net Assets as "Net assets released from donor restrictions."

Cash and Cash Equivalents

For purposes of reporting the Statement of Cash Flows, the Home considers cash accounts, money market funds and certificates of deposits with original maturities of three months or less to be cash equivalents. Accounts at each financial institution are insured by the Federal Deposit Insurance Corporation up to $250,000 at December 31, 2022 and 2021. The Home's cash accounts are maintained at US Bank (see Note P). For the purposes of the Statement of Cash Flows, cash equivalents included in "Assets Limited as to Use" is excluded.

Investments

Investments consist primarily of mutual funds, exchange traded funds and equity securities and are recorded at fair value whether purchased or donated in the Balance Sheet and changes in fair value are reported as gain or losses in the Statements of Operations. The fair

A. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Investments (continued)

value of investments is determined by the closing prices on the last day of the Home's fiscal year as published by the markets in which the funds are traded. Investments in equities and bonds are not subject to Federal Deposits Insurance Corporation limits, but are covered by the Securities Protection Corporation up to $500,000. From time to time, investment balances may exceed the insured limits. The Home has not experienced any losses in such amounts. Under FASB ASC 820, all the Home's investments are Level I inputs based on closing prices reported in active markets where the securities are traded. Investment returns include dividends, interest and realized and unrealized gains and losses on those investments.

Property, Plant and Equipment

Property, plant and equipment are recorded at cost and depreciated over their estimated useful lives. It's the Home's policy to capitalize property and equipment over $2,500. Expenditures which increase the life of the related assets are capitalized. Expenditures for repairs and maintenance, including planned major maintenance are charged to expense as incurred.

Depreciation of property and equipment is provided using the straight line method based on the following useful lives:

	Years
Buildings and improvements	5-40
Equipment	5-15
Furnishings	5-15
Vehicles	5

Long Lived Assets

Long lived assets to be held and used are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. When

A. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Long Lived Assets (continued)

required, the impairment losses on assets to be held and used are recognized based on the fair value of the asset, and long-lived assets to be disposed is reported at the lower of the carrying amount or fair value, less the cost to sell. No impairment losses were recognized during the years ending December 31, 2022 and 2021.

Advertising Costs

Advertising costs are expensed as incurred and are included in administrative expenses. For the years ended December 31, 2022 and 2021, advertising expense was $6,148 and $2,273 respectively.

Patient and Resident Accounts Receivable

The Home's primary credit risk is patient and resident accounts receivable which consists of amounts primarily due from MediCal. The Home manages the receivables by regularly reviewing its accounts and by providing appropriate allowance for uncollectible amounts. During the current year, the Home became a licensed Medicare provider.

Patient Service Revenue

Private pay skilled nursing rates are recorded at a stated monthly fee established by the Home. MediCal reimburses the Home a per diem rate for the MediCal patients based on a cost report filed by the Home in previous years. MediCal determines a patient responsibility amount paid by the patient, and MediCal reimburses the balance.

Medicare uses a PPS prospective payment system which is a predetermined rate expected to cover all per diem operating and capital costs. The rate is adjusted based on the geographic difference in labor costs and are computed separately for urban and rural areas.

In addition, payments for three components - physical therapy, occupation therapy and non-therapy ancillary (NTA) are adjusted for the day of the stay, with higher payments for care furnished during earlier days in a stay. Payments for NTA services during the first three days

A. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Patient Service Revenue (continued)

are three times those for NTA services during later days. Payments for physical therapy and occupational therapy services are the same for the first 20 days of a stay and slowly decrease for later days. Medicare adjusts SNF payments based on quality performance prior to the fiscal.

Medicare will pay up to 100 days. However, beginning on day 21, the patient is responsible for a daily co payment. The Medicare patient co pay in 2022 was $194.50.

Assisted Living and Independent Living Revenue

The revenue recorded by the Home for assisted and independent living are recorded at rates established by the Home. Included in the Home's assisted living are residents whose rent is paid by supplemental security income. The senior independent living referred to as the Village leases all units on a month to month operating leases. Tenant security deposits on entrance are recorded as a liability in the balance sheet and either returned to the tenant upon leaving or applied to the last month's rent and recognized revenue at that time.

Compensated Absences

Bethel Lutheran Home, Inc. accrues a liability for vested sick leave, holidays and vacations to which employees are entitled.

Income Taxes

The Home qualifies as a tax exempt organization under 501c of the Internal Revenue Code and Section 23701(d) of the State of California Corporate code. The Home's tax position is that all earnings are from its exempt function, and accordingly, none of the Home's earnings are unrelated business earnings which would be subject to income taxes. The Home's open tax years that would be subject to examination would be years beginning on or after 2019 for federal purposes and 2018 for the State of California.

A. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Income Taxes (continued)

Management of the Home does not believe its financial statements contain uncertain tax positions and none have been recorded in their financial statements. Management believes that their position, that all their income is from tax exempt function would be upheld under an examination.

During the prior year, Bethel Lutheran Home restated their articles of incorporation. In the original articles of incorporation, the Home was organized as a non profit public benefit corporation. In 2021, the Home restated its articles to read that the Home is a religious corporation. It is organized under the non profit religious corporation law exclusively for religious purposes.

B. FUNCTIONAL EXPENSES

The Home categorizes its mission into two divisions which includes:

1) Healthcare and assistance to seniors which are provided in its skilled nursing and assisted living division
2) Independent living for its seniors which are provided in its separate campus of 36 independent living condominiums

The Home reports its expenses by natural expense classification on the face of its Statement of Operations and Expenses and by functional classification on its Statement of Functional Expenses.

In the Statement of Functional Expenses, the Home separates its expenses by (skilled nursing and assisted living), (independent living) and (supporting services of administration and general).

B. FUNCTIONAL EXPENSES (continued)

Most all expenses are allocated to either the skilled nursing and assisted living programs or the independent living program by direct allocation. Each division has a separate campus, separate employees, separate dietary and plant operations. Supporting services relating to administration and general are allocated on direct allocation or on the basis of time studies for administrative salaries.

The Home has a separate building which it rents to a physical therapist.

C. AVAILABILITY AND LIQUIDITY

Below represents the Home's financial assets at December 31, 2022 and 2021:

	December 31, 2022		December 31, 2021	
	Without Donor Restrictions	With Donor Restrictions	Without Donor Restrictions	With Donor Restrictions
Cash and equivalents	$ 936,510		$ 490,870	
Patient accounts receivable	499,632		368,322	
Cash and investments				
Internally limited to as use	302,511		569,169	
Interfund receivable (payable)	(34,647)	$ 34,647	(34,647)	$ 34,647
Donor temporarily restricted		115,425		160,143
	1,704,006	150,072	1,393,714	194,790
Less investments used as security for Thrivent line of credit	(250,000)		(250,000)	
	$ 1,454,006	$ 150,072	$ 1,143,714	$ 194,790

During the year, the Home was able to improve their liquidity through an SBA loan they obtained in the amount of $2,000,000 from the Small Business Administration. The loan is a long term 30 year loan and accrues interest at 2.75%. Payments of $8,975 do not begin until September 2024. Interest accruing at 2.75% is added to the loan principal.

C. LIQUIDITY AND AVAILABILITY (continued)

	2022	2021	2020
Cash and receivables	$ 1,436,142	$ 859,192	$ 1,014,823
Internally restricted investments	267,864	534,552	921,741
Less investments pledged as collateral	(250,000)	(250,000)	(250,000)
	1,454,006	1,143,714	1,686,564
Total current liabilities	$ 1,236,390	$ 2,278,102	$ 1,419,238
Quick ratio	1.18	.50	1.19

During the year with the injection of $2,000,000 with a long term loan from the SBA, the Home was able to pay off a $895,900 loan that came due in May 2022. In addition (see Note K), the Home also received an employee retention credit refund of $264,383, plus interest of $14,924. The Home chose to record the amount as income as opposed to a conditional contribution. The amount could be subject to a clawback by the IRS if under audit, the IRS determines the Home did not satisfy the criteria for the refund. The Home's consultants that were utilized in requesting the refunds have specialized in employee tax credits since 2008 and have knowledge in the skilled nursing industry. They believe the home has met the criteria to obtain all ERC claims.

The Home has additional ERC claims in the amount of $2,107,063 that have not been issued as the date of the report. The Home has taken a conservative approach in relation to the remaining outstanding claim and has accounted for it as a contingent asset and has not accrued the receivable or reflect the income on its books (see Note R).

D. INVESTMENTS - ASSETS LIMITED AS TO USE

In recent years, the Home has been the beneficiary of estate bequests which were without donor restriction. The bequests were placed in a separate investment account. The bequeathed amounts and related earnings have been set aside for contingencies or special purposes as determined and approved by the Board of Directors. Included in the amounts set aside for contingencies and special purposes as shown on the following page:

(See Accountant's Report)

D. INVESTMENTS - ASSETS LIMITED AS TO USE

	2022	2021
For capital improvements		
Invested for contingencies and special purposes	$ 302,511	$ 569,169
Cash and investments designated by the Board of Directors	302,511	569,169
Less amounts due donor restricted funds	(34,647)	(34,647)
	$ 267,864	$ 534,522

E. CASH AND INVESTMENTS WITH DONOR RESTRICTIONS BY DONORS FOR SPECIFIC PURPOSES

For the years ending December 31, 2022 and 2021, cash and investments at fair value which were restricted by donors for capital acquisition and building mortgage retirement were composed of the following:

	2022	2021
Marketable securities and cash equivalents	$ 2,772	$ 29,569

Additionally, the Home received a special purpose donation from Christ Lutheran Church of Visalia. The purpose of the gift is to provide funding to expand the Home's care for mobility impaired patients from six hours a day to eight hours a day.

	2022	2021
Marketable securities at fair value	$ 112,653	$ 133,574
Total Cash and Investments With Restrictions by Donors	$ 115,425	$ 160,143
Amount due from funds designated by Board of Directors	34,647	34,647
	$ 150,072	$ 194,790

F. PROPERTY AND EQUIPMENT

Property and equipment at December 31, 2022 and 2021 were composed of the following:

	2022	2021
Land	$ 91,480	$ 91,480
Buildings and improvements	8,740,048	8,588,633
Equipment	1,064,974	1,051,790
Furniture and fixtures	375,294	375,294
Vehicles	20,420	11,360
	10,292,216	10,118,557
Less accumulated depreciation	(6,731,059)	(6,492,706)
	$ 3,561,157	$ 3,625,851

G. STATE LICENSING

At December 31, 2022 and 2021, the Home was licensed by the California Department of Public Health for 59 skilled nursing beds. The facility also has 25 apartments for Assisted Living and is licensed by the California Department of Social Services. The 36 unit senior independent living Village does not require licensing.

H. NON OPERATING INVESTMENT INCOME (LOSS)

At December 31, 2022 and 2021, non-operating revenues were composed primarily of the following:

	2022	2021
Interest and dividend income	$ 14,263	$ 28,392
Net realized and unrealized gains (loss) on marketable securities	(72,259)	42,407
Less investment management fees	(4,070)	(8,019)
Sale of vehicle		7,500
	$ (62,066)	$ 70,280

(See Accountant's Report)

I. MARKETABLE SECURITIES AND FAIR VALUE MEASUREMENTS

The Home's investments are reported at fair value in the accompanying balance sheet. The fair market value accounting literature established a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy consists of three broad levels: Level 1) inputs consist of unadjusted quoted prices in active markets and have the highest priority; Level 2) inputs are inputs other than quoted prices in active markets and have the highest priority and Level 3) inputs are unobservable inputs and have the lowest priorities. The fair value of the equity securities was based on quoted market prices at December 31, 2022 and 2021.

	At December 31, 2022			At December 31, 2021		
Internally restricted	Cost*	Valuation Adjustment	Fair Market Value	Cost*	Valuation Adjustment	Fair Market Value
Marketable securities	$ 345,893	$ (43,382)	$ 302,511	$ 555,002	$ 14,167	$ 569,169
Donor restricted						
Marketable securities	133,254	(17,829)	115,425	148,309	11,834	160,143
	$ 479,147	$ (61,211)	$ 417,936	$ 703,311	$ 26,001	$ 729,312

** Cost: Securities are recorded at cost when purchased and at fair market value if donated. At the end of the year, all marketable securities are adjusted to their fair market value which is shown as the cost at the beginning of the period.

J. FAIR VALUE MEASUREMENTS

The fair value of the Home's exchange traded funds, mutual funds and common stocks are based on quoted net asset value of the shares at the Home's year end. The fair value of the equity securities was based on quoted market prices at December 31, 2022 and 2021.

J. FAIR VALUE MEASUREMENTS (continued)

Investment in marketable securities at fair market value at December 31, 2022 and 2021 was composed of the following investment categories as shown below:

	2022 Level I	2021 Level I
Money market funds	$ 9,479	$ 19,409
Stock mutual funds	90,558	206,892
Stock exchange traded funds	73,098	103,841
Fixed income mutual funds	198,005	271,211
Fixed income exchange traded funds	46,796	127,959
Mutual and exchange traded	$ 417,936	$ 729,312

K. NOTE PAYABLE - LINE OF CREDIT AT THRIVENT FEDERAL CREDIT UNION

During the year ending December 31, 2022 and 2021, the Home had borrowings of $161,884 and $182,593 respectively, under a line of credit with Thrivent Federal Credit Union. The line provides for revolving borrowing up to $250,000. The interest rate is a variable rate at .5% over the base corporate rate on corporate loans posted by at least 70% of the ten largest U.S. banks. The rate at December 31, 2022 and 2021 was 7.75% and 4% respectively.

The loan is secured by an investment account being managed by Thrivent investments for the Home. The fair value of the investment account at December 31, 2022 and 2021 was $302,511 and $569,169 respectively of which $250,000 is pledged as collateral for the Thrivent line of credit.

(See Accountant's Report)

L. NOTES PAYABLE

	2022	2021
Note payable - National Acquisition Company, payable in monthly principal and interest installments of $11,115 with interest at 2.125% through May 1, 2022. On May 1, 2022, the interest rate adjusted to a 7% fixed rate with monthly interest only payments of $12,193 through May 1, 2023. On June 1, 2023, the payments will be $15,988 including principal and interest and continuing until May 1, 2025 when the entire loan will be due. The loan is secured by a deed of trust on the Village and substantially all the Home's real property.	$ 2,062,171	$ 2,091,893
Note payable - National Acquisition Company, payable in monthly principal and interest installments of $6,000 with interest at 8%. The loan matured on May 1, 2022 and was secured by a second deed of trust on all of the Home's property.		895,943
Note payable - Sierra View, due in monthly principal and interest installments of $5,000 with interest at 1%. The note is unsecured and matures in January 2023.		62,428
Note payable - Courtney Moore, payable in annual principal and interest payments of $32,101 through November 2027 and is secured by the Selma Physical therapy building purchased in 2020.	146,828	173,718
Note payable - Small Business Administration, interest accruing at 2.75% from the date of the note March 11, 2022. Payments of $8,975 a month will begin 30 months from the date of the note on September 11, 2024. Interest is accruing at $150.68 per day. When the Home begins making payments, the interest will have accrued to $137,877 and the total amount of principal and accrued interest will total $2,137,877. Accordingly, all payments will be applied to interest through April 11, 2027.	2,000,000	
	4,208,999	3,223,982
Less unamortized loan costs	(20,242)	(27,862)
Less current portion	(55,896)	(1,012,472)
	$ 4,132,861	$ 2,183,648

L. NOTES PAYABLE (continued)

The estimated long term debt maturities are as follows:

December 31, 2023	$ 55,896
December 31, 2024	79,624
December 31, 2025	2,012,257
December 31, 2026	30,265
December 31, 2027	64,274
Later years	1,966,683

M. QAF ESTIMATED LIABILITY ADJUSTMENT

The Home incurs a liability referred to as the QAF fee for every day the Home provides care for a patient. QAF stands for quality assurance fee and is sometimes referred to as a bed tax. During 2022, the Home had 19,909 patient days and the bed tax was $16.87 per bed day resulting in a total liability for the year of $335,808. Since 2018, the Home has not been current in making their monthly payment which approximates $28,000 per month. In May 2022, the Department of Health Care Services provided the Home with the accounting of the QAF fee owed by the Home. The liability the Home had recorded on its books was $451,521 which was $98,753 more than the $352,768 liability as set forth by the Liability and Recovery Division of the Department of Health Care Services. Accordingly, the Home adjusted their liability downward by $98,753 and reflected the amount as revenue in its statement of operations.

N. COMMITMENTS

The Home leases three multipurpose laser printer and copiers under noncancellable operating leases which require minimum monthly rental payments. The leases originated in July of 2019 and extended 63 months through October 2025. The annual rental payments required under the two operating leases as of December 31, 2022 are as follows:

2022	6,540
2023	6,540
2024	6,540
2025	5,450

N. COMMITMENTS (continued)

Total equipment rent expense included in the Statement of Operations for 2022 and 2021 amounted to $6,540 and $6,540 respectively.

O. CONCENTRATIONS

The Home grants credit without collateral to its patients and residents, most of whom are local residents. In 2022, the Home's operating revenues were from the following:

MediCal	62.00%	Reimburses the Home on per diem rate
Medicare	3.25%	Predetermined rate per day
Private - including:	30.50%	
Skilled nursing		
Patient portion MediCal		
Assisted living		
Independent living		
Other revenues	4.25%	

The mix of receivables from patients and residents at December 31, 2022 and 2021 is shown below:

	2022	2021
MediCal	77%	85%
Medicare	8%	
Private	15%	15%
	100%	100%

The Home maintains cash accounts at US Bank which at times exceeds federally insured limits of $250,000. The Home believes US Bank is a high credit quality financial institution. The Home has not experienced nor does it anticipate any losses to such accounts

P. SUBSEQUENT EVENTS

The Home has evaluated subsequent events through March 15, 2023, the date the financial statements were available to be issued in determining the accounting for and disclosures of transactions and events that affect the financial statements.

Q. NET ASSETS RELEASED FROM RESTRICTIONS AND USED IN OPERATIONS

	2022	2021
Net assets released from the capital improvement fund	$ 21,087	$ 70
	$ 21,087	$ 70

The Home, from time to time, transfers money from its donor restricted fund for capital improvements and mortgage retirement to reimburse the unrestricted fund for property acquisitions.

R. EMPLOYEE RETENTION CREDIT

The Employee Retention Credit (ERC) is a form of government assistance established by the Corona Virus Aid, Relief and Economic Security (CARES) Act to help businesses keep staff employed during the Covid 19 pandemic.

An entity is eligible for the ERC if it suffered full or partial suspension of operations due to government order or suffered a reduction in gross receipts from 2019 determined by quarter of greater than 50% in 2020 and greater than 20% in 2021.

The full and partial suspension due to government order must be issued by the federal government, state or local government that has jurisdiction over the business and limits commerce, travel or group meetings due to Covid 19 and impacts the employer's operations.

R. EMPLOYEE RETENTION CREDIT (continued)

Unlike the gross receipts test method for qualifying for the ERC, the more than nominal tests which the Home utilized in filing its claim for ERC refund are subjective and based on the facts and circumstances, for which the IRS has not provided a significant amount of guidance.

The *"safe harbor"* for the more than nominal effect on operations requires a decrease of 10%+ of gross receipts in the quarters of 2020 and 2021 as compared to 2019 or the more than 10% reduction in employee service hours that must translate in the Home's ability to provide services. However, the IRS has not prescribed how this is to be measured.

The Home did not meet the revenue reduction test in either 2020 or 2021. The Home filed its ERC claims under the partial suspension or modification of operations due to Covid 19 related orders from an appropriate government authority. The Home's application for the ERC refund is based on the government Covid orders and mandates affecting nursing homes in California. Such orders limited entry to the facility and restricted visitation. The mandates impacted the Home's operations during the pandemic. For the Home, eight rooms consisting of 16 beds out the Home's 59 beds were required to be set aside to isolate Covid patients. A majority of the time, the beds were empty reducing staffing time. Under the orders, the Home could not accept new admissions. The Home suffered Covid outbreaks in August, November, December 2020 and September 2021 in which no new admissions were allowed. The state mandates caused a reduction in census. All visitors and non essential healthcare personnel were not allowed in the facility. This affected the Home's ability to provide tours to view the premises. The Home was closed to all outside visitors from March 2020 through March 2021. The state mandates impacted the ability of the Home to bring in new residents which caused the census and staffing needs to go down by 9.4% in 2020 and 12.7% in 2021. The mandates affected the daily operations, marketing and admissions which the Home contends had a combined effect of more than 10%.

The nominal effect safe harbor is 10%, but legal opinion is an employer can still qualify if the 10% safe harbor is not met. The nominal effect is significant if more than 3 to 4% of the business activity is effected. There is no definition of nominal in either the ERC statute or internal revenue code, but the common dictionary is definition is very low value.

R. EMPLOYEE RETENTION CREDIT (continued)

The Home filed amended 941 payroll returns requesting refunds of $2,374,446 as follows:

September 30, 2020	$ 142,188	March 31, 2020	$ 63,950
December 31, 2020	122,195	June 30, 2020	328,288
	$ 264,383	March 31, 2021	552,750
		June 30, 2021	582,016
		September 30, 2021	580,059
			$ 2,107,063

During 2022, the Home received ERC refunds of $264,383 plus interest of $14,924 relating to the filing of their third and fourth quarter 2020 amended returns.

Although the IRS refunded $264,383 to the Home in 2022, under a second audit review, the IRS could clawback and determine that the Home did not meet the criteria for the ERC refund. The Home has two options for accounting for the $264,383 that has been received:

1. The Home could show the $264,383 as a restricted contribution and show the amount as a refundable liability until such time as it was ultimately determined that the refunds for the returns would be accepted as filed by the IRS. At that time, the restricted contribution would be recorded as income.

2. Record the $264,383 as a grant and report the amount in its operating income.

The Home has taken a two prong approach. The Home used a consulting firm with a significant amount of experience with nursing homes. The consulting firm, as well as the Home, believes it is highly likely that the $264,383 of requested refunds and received by the Home will be accepted by the IRS as filed. Accordingly, the Home has recorded the amount in their operating income as opposed to a refundable liability.

Because of the significant and materiality of the ERC claims of $2,107,063 that have not been refunded as of the balance sheet date, the Home is accounting for the $2,107,063 as a contingent assets which is disclosed but not recorded on the financial statements. until the uncertainty as to the IRS acceptance is resolved.

S. GOING CONCERN ASSUMPTION

Included in the Home's financial statement last year, there was a going concern footnote as the Home's quick ratio at December 31, 2021 was .50. The quick ratio measures the Home's ability to meet its short term obligations with its most current assets which are cash and receivables. During the current year, the Home had a $900,000 loan that matured in May 2022. The Home was able to meet its obligations by securing a long term loan from the Small Business Administration in the amount of $2,000,000. Payments of $8,975 on the SBA loan which accrues interest at 2.75% do not begin until September 2024.

With the infusion of the $2,000,000, the Home was able to improve their quick ratio from 2021 to 2022 from .50 to 1.18 respectively, as well as improve their working capital position from a deficiency of $(1,263,355) to a positive working capital of $300,691.

During 2022 and 2021, the Home suffered losses from operations of $(555,938) in 2021 and $(760,939) in 2022. If the Home continues to suffer these large operational losses, there may be doubt as to the ability for the Home to continue to operate beyond one more year.

During 2022, the Home became a licensed Medicare provider. Management's objective is to increase the number of Medicare patients it admits, which are very profitable as opposed to its MediCal patients where the Home's reimbursements is limited to cost of care.

During 2022, the Home's total Medicare days only accounted for 2.16% of its total patient days. The Home's census during 2021 was 92.45%. With the ability to accept Medicare patients, management's intention is to ramp up its census to at least 94% and its number of Medicare days to 15% of its total patient days. The Home's internal projections show that their total Medicare days would increase from 400 to 3,000 days and at a minimum would breakeven and should be profitable at that level of census.

In addition, the Home is expecting to receive $2,107,000 from the Employee Retention Credit filing that was completed in 2022 (see Note R). Although the receivable has been accounted for as a contingent asset, the company consultants believe it's more likely than not that the Home has met the criteria that make the Home eligible for this refund. Accordingly, the Home believes with the infusion of $2,107,000, the Home will have more than enough funding to implement the operation turnaround.

S. GOING CONCERN ASSUMPTION (continued)

Failure of the Home to improve the profitability of its operations and failure to receive the ERC refunds could result in the Home no being able to continue to operate past twelve months from the date of the accountant's report.

SUPPLEMENTARY INFORMATION

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ACCOUNTANT'S REVIEW REPORT ON SUPPLEMENTARY INFORMATION

To the Board of Directors
Bethel Lutheran Home, Inc.
Selma, California

The supplementary information on page 29 is presented for purposes of additional analysis and is not a required part of the basic financial statements. The information is the representation of management. I have not audited or reviewed such information and accordingly, I do not express an opinion, a conclusion, nor provide any assurance on it.

Jim G. Sabbatini
Certified Public Accountant
Selma, California

March 15, 2023

BETHEL LUTHERAN HOME, INC.

COMBINED STATEMENT OF OPERATIONS
FOR THE YEAR ENDED DECEMBER 31, 2022

REVENUES:	Skilled Nursing & Residential	Village	Physical Therapy Rental	Combined
Patient service revenues	$ 5,867,997			$ 5,867,997
Provision for bad debts	(290,609)			(290,609)
Residential rents assisted care	243,284			243,284
Village rents		$ 800,267		800,267
Physical therapy rental			$ 42,000	42,000
QAF estimated liability adjustment	98,753			98,753
Other operating	33,007	3,574		36,581
Employee retention credit - grant	264,383			264,383
Employee retention credit - interest	14,924			14,924
Employee retention credit - credit filing fee	(39,657)			(39,657)
Contributions	47,873			47,873
Net assets released from restrictions used for operations	21,087			21,087
	6,261,042	803,841	42,000	7,106,883
OPERATING EXPENSES:				
Nursing services	3,001,539			3,001,539
Residential care nursing	208,251			208,251
Village caregiver		63,600		63,600
Quality assurance fee	335,808			335,808
Dietary	718,755	250,323		969,078
Plant operation and maintenance	554,310	180,922		735,232
Administrative	1,138,721	166,347	9,512	1,314,580
Housekeeping	383,850	101,838		485,688
Activities	149,288			149,288
Inservice expense	49,121			49,121
Property taxes	12,774	13,701	6,702	33,177
Depreciation	81,119	142,025	13,175	236,319
Amortization		2,034		2,034
Mortgage interest		124,532	5,550	130,082
Loan fee interest - adjusted		7,619		7,619
Line of credit and loan interest	84,340			84,340
	6,717,876	1,052,941	34,939	7,805,756
LOSS FROM OPERATIONS	(456,834)	(249,100)	7,061	(698,873)
NON OPERATING INVESTMENT LOSS	(62,066)			(62,066)
DECREASE IN NET ASSETS	$ (518,900)	$ (249,100)	$ 7,061	$ (760,939)

See Accountant's Report and the notes to the financial statements
which are an integral part of the financial statements

EXHIBIT 2

to

Section §999. 5(d)(11)(F)

BETHEL LUTHERAN HOME, INC.

Financial Statements
and Supplementary Information
Year Ended December 31, 2023
Independent Accountants' Review Report

BETHEL LUTHERAN HOME, INC.

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INDEPENDENT ACCOUNTANTS' REVIEW REPORT

To the Board of Directors of
Bethel Lutheran Home, Inc.
Selma, California

We have reviewed the accompanying financial statements of Bethel Lutheran Home, Inc. (the "Home"), which comprise the statement of financial position as of December 31, 2023, and the related statements of activities, functional expenses, changes in net assets and cash flows for the year then ended, and the related notes to the financial statements. A review includes primarily applying analytical procedures to management's financial data and making inquiries of the Home's management. A review is substantially less in scope than an audit, the objective of which is the expression of an opinion regarding the financial statements as a whole. Accordingly, we do not express such an opinion.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement whether due to fraud or error.

Accountants' Responsibility

Our responsibility is to conduct the review engagement in accordance with Statements on Standards for Accounting and Review Services promulgated by the Accounting and Review Services Committee of the AICPA. Those standards require us to perform procedures to obtain limited assurance as a basis for reporting whether we are aware of any material modifications that should be made to the financial statements for them to be in accordance with accounting principles generally accepted in the United States of America. We believe that the results of our procedures provide a reasonable basis for our conclusion.

We are required to be independent of Bethel Lutheran Home, Inc. and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements related to our reviews.

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MEMBER AMERICAN INSTITUTE OF CERTIFIED PUBLIC ACCOUNTANTS

Accountants' Conclusion

Based on our review, we are not aware of any material modifications that should be made to the accompanying financial statements in order for them to be in accordance with accounting principles generally accepted in the United States of America.

Supplementary Information

The accompanying combined statement of activities on page 20 is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from, and relates directly to, the underlying accounting and other records used to prepare the financial statements. The supplementary information has been subjected to the review procedures applied in our review of the basic financial statements. We are not aware of any material modifications that should be made to the supplementary information. We have not audited the supplementary information and do not express an opinion on such information.

Ratzlaff Tamberi & Wong

Fresno, California
July 8, 2024

BETHEL LUTHERAN HOME, INC.

STATEMENT OF FINANCIAL POSITION
DECEMBER 31, 2023

ASSETS

CURRENT ASSETS:	
Cash and cash equivalents	$ 408,626
Patient and resident accounts receivable, net of allowance of $107,096	1,434,134
Prepaid expenses and deposits	104,667
Total current assets	1,947,427
ASSETS LIMITED AS TO USE:	
Cash and investments designated by Board of Directors	518,360
PROPERTY AND EQUIPMENT	10,179,784
Less accumulated amortization	6,946,834
Total property and equipment, net	3,232,950
OTHER ASSETS:	
Operating lease, right to use, net	75,678
TOTAL ASSETS	$ 5,774,415

LIABILITIES AND NET ASSETS

CURRENT LIABILITIES:	
Accrued expenses	$ 406,097
Accounts payable	258,333
Security deposits - Village	71,214
Current portion of operating lease liability	19,432
Current portion of SBA loan accrued interest	89,750
Current portion of notes payable	50,800
Total current liabilities	895,626
LONG-TERM LIABILITIES:	
Notes payable, net of current portion	3,970,835
SBA loan accrued interest	6,688
Long-term operating lease	56,246
Total long-term liabilities	4,033,769
Total liabilities	4,929,395
NET ASSETS, without donor restrictions	845,020
TOTAL LIABILITIES AND NET ASSETS	$ 5,774,415

See independent accountants' review report and notes to financial statements.

BETHEL LUTHERAN HOME, INC.

STATEMENT OF ACTIVITIES
YEAR ENDED DECEMBER 31, 2023

UNRESTRICTED REVENUES, GAINS AND OTHER SUPPORT:	
Patient service revenues	$6,374,622
Residential rents - assisted care	385,282
Village rents - independent living	787,220
Building rental	42,000
Gain on sale of building	39,954
Employee retention credit - grant	1,714,824
Employee retention credit interest income	161,577
Other operating	31,652
Contributions	18,154
Net assets released from restrictions used for operations	154,250
Total unrestricted revenues, gains and other support	9,709,535
OPERATING EXPENSES:	
Salaries and benefits	5,166,880
Contracted health care personnel	304,849
Professional and consultant fees	257,751
Supplies	789,658
Repairs and maintenance	280,182
Utilities	409,548
Insurance	236,264
Taxes and licenses	92,601
Quality assurance fee	339,307
Employee retention credit filing fee	257,223
Interest expense	218,000
Administrative expenses	72,734
Bad debt expense	160,500
Depreciation and amortization	258,594
Total operating expenses	8,844,091
CHANGE IN NET ASSETS FROM OPERATIONS	865,444
NON-OPERATING INVESTMENT INCOME	27,145
CHANGE IN NET ASSETS	$ 892,589

See independent accountants' review report and notes to financial statements.

BETHEL LUTHERAN HOME, INC.

STATEMENT OF FUNCTIONAL EXPENSES
YEAR ENDED DECEMBER 31, 2023

	Skilled Nursing & Assisted Living	Independent Living	Rental	Management and General	Total
Salaries and benefits	$4,159,202	$ 463,855	$ -	$543,823	$5,166,880
Contracted health care personnel	304,849	-	-	-	304,849
Professional and consultant fees	234,914	6,078	-	16,759	257,751
Supplies	693,239	96,419	-	-	789,658
Repairs and maintenance	218,798	61,384	-	-	280,182
Utilities	303,705	84,309	-	21,534	409,548
Insurance	190,192	46,072	-	-	236,264
Taxes and licenses	72,291	14,916	5,394	-	92,601
Quality assurance fee	339,307	-	-	-	339,307
Employee retention credit filing fee	257,223	-	-	-	257,223
Interest expense	62,241	149,749	6,010	-	218,000
Administrative expenses	-	-	-	72,734	72,734
Bad debt expense	160,500	-	-	-	160,500
Depreciation and amortization	99,684	145,735	13,175	-	258,594
Total	$7,096,145	$1,068,517	$ 24,579	$654,850	$8,844,091

See independent accountants' review report and notes to financial statements.

BETHEL LUTHERAN HOME, INC.

STATEMENT OF CHANGES IN NET ASSETS
YEAR ENDED DECEMBER 31, 2023

NET ASSETS WITHOUT DONOR RESTRICTIONS:	
Excess of revenue over expense	$ 711,194
Non-operating investment income	27,145
Transfers in	154,250
Total net assets without donor restrictions	892,589
NET ASSETS WITH DONOR RESTRICTIONS:	
Special purpose funds:	
Investment income net of management fees	684
Unrealized and realized gain on marketable securities	3,494
Net assets released from restrictions for operations	(154,250)
Total net assets with donor restrictions	(150,072)
CHANGE IN NET ASSETS	742,517
NET ASSETS, BEGINNING OF YEAR	102,503
NET ASSETS, END OF YEAR	$ 845,020

See independent accountants' review report and notes to financial statements.

BETHEL LUTHERAN HOME, INC.

STATEMENT OF CASH FLOWS
YEAR ENDED DECEMBER 31, 2023

CASH FLOWS FROM OPERATING ACTIVITIES:	
Changes in net assets	$ 742,517
Adjustment to reconcile change in net assets to net cash used in operating activities:	
Depreciation	258,594
Allowance for bad debt expense	(78,904)
Net realized gains on investments other than trading	(7,161)
Gain on sale of assets	(39,954)
(Increase) decrease in:	
Patient and resident accounts receivable	(855,598)
Prepaid expenses	(3,728)
Increase (decrease) in:	
Village tenant deposits	(27,411)
Accrued expenses	98,990
SBA accrued interest	52,018
Accounts payable	(354,545)
Net cash used in operating activities	(215,182)
CASH FLOWS FROM INVESTING ACTIVITIES:	
Purchases of property and equipment	(312,568)
Proceeds from sale of investments	914,655
Purchase of investments	(1,007,918)
Proceeds from sale of assets	422,135
Net cash provided by investing activities	16,304
CASH FLOWS FROM FINANCING ACTIVITIES:	
Payments on Thrivent line of credit	(161,884)
Payments on Courtney Moore note payable	(146,828)
Payments on National Acquisition Village note payable	(20,294)
Net cash used in financing activities	(329,006)
NET DECREASE IN CASH AND CASH EQUIVALENTS	(527,884)
CASH AND CASH EQUIVALENTS, BEGINNING OF PERIOD	936,510
CASH AND CASH EQUIVALENTS, END OF PERIOD	$ 408,626
SUPPLEMENTAL DISCLOSURES OF CASH FLOW INFORMATION:	
Interest paid	$ 165,982

See independent accountants' review report and notes to financial statements.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Organization - Bethel Lutheran Home, Inc. (the "Home") is a not-for-profit religious corporation established in 1928 whose purpose is to operate a multi-level senior retirement community. The Home maintains affiliation with the "Evangelical Lutheran Church in America." The members of the corporation include Lutheran congregations located within the San Joaquin Valley of California. The members of the congregations elect the Board of Directors who governs the Home. The Home is affiliated with Social Ministry Organization of the Sierra Pacific Synod of the Evangelical Lutheran Church.

The Home's principal mission is to be a senior community rooted in Christian values. The Home is considered a large extended family where residents and patients are placed in caring hands. Staff, residents and patients together facilitate a higher quality of life.

The Home's operations include a 59-bed skilled nursing facility, a residential care facility with 25 apartments and a senior independent living village consisting of 36 condominium units. The Home is located in Selma, California.

Basis of Presentation - The financial statement presentation follows accounting principles generally accepted in the United States of America, and more specifically the 2019 AICPA Audit Guide for Health Care Entities. On August 18, 2016, the Financial Accounting Standards Board issued ASU 2016-14 Presentation of Financial Statements of Not-for-Profit Entities effective for years starting after December 15, 2017. The health care guide requires Not-for-Profit ("NFP") business health care entities to apply the NFP financial reporting model.

The new guidance requires NFP's to present on the face of the Statement of Financial Position, the amount for each of two classes of net assets - ***net assets with donor restrictions*** and ***net assets without donor restrictions*** as opposed to the three classes utilized in prior years of unrestricted, temporarily restricted and permanently restricted.

In addition, the guidance requires additional information about liquidity both quantitatively and qualitatively and about how the Home manages its liquid resources available to meet cash needs for general expenditures within one year of the date of the Statement of Financial Position date. The new standards also require all NFP's to provide information about their operating expenses by both nature and function.

Net Assets With Donor Restrictions are subject to stipulations imposed by donors. Some donor restrictions are temporary in nature, such as funds that are restricted for capital additions, mortgage retirement and mobility which are met by the actions of the Home when spent for specific purposes.

Net Assets Without Donor Restrictions are not subject to donor imposed restrictions and may be expended for any purpose in performing the primary mission of the Home. The net assets may be used at the discretion of the Home's management and the Board of Directors.

Method of Accounting - The Home uses the accrual basis method of accounting in accordance with the accounting principles generally accepted in the United States of America.

Use of Estimates - The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and reported revenues and expenses during the reporting period. Actual results could differ from those estimates.

Assets Limited as to Use - Assets limited as to use include donor restricted assets that have been limited for specific purposes, period of time or in perpetuity. The Home has two funds that are donor restricted in purpose, namely the patient mobility fund and its capital improvement and mortgage retirement fund. Also included are assets without donor restrictions, but subject to self-imposed restrictions by the Board of Directors for future capital improvements, a reserve for operating expenses and contingencies. The Board retains control over Board designated funds, and may at its discretion, use those funds for other purposes.

Donated Property - Donated property and other non-cash donations are recorded as contributions at their estimated market value at the date of the donation. Assets without donor restrictions are included in unrestricted revenues and included in the excess of revenues over (under) expenses. Gifts are reported as assets with donor restrictions when they are received with donor stipulations that limit the use of the funds or donated asset. When a donor restriction expires and its purpose is accomplished, donor restricted assets are reclassified as an asset without donor restrictions in the Statement of Changes in Net Assets as "Net assets released from restrictions used for operations."

Cash and Cash Equivalents - For purposes of reporting the Statement of Cash Flows, the Home considers cash accounts, money market funds and certificates of deposits with original maturities of three months or less to be cash equivalents. Accounts at each financial institution are insured by the Federal Deposit Insurance Corporation up to $250,000 at December 31, 2023. The Home's cash accounts are maintained at US Bank. For the purposes of the Statement of Cash Flows, cash equivalents included in "Assets Limited as to Use" is excluded.

Investments - Investments consist primarily of mutual funds, exchange traded funds and equity securities and are recorded at fair value whether purchased or donated in the Statement of Financial Position and changes in fair value are reported as gain or losses in the Statement of Activities. The fair value of investments is determined by the closing prices on the last day of the Home's fiscal year as published by the markets in which the funds are traded. Investments in equities and bonds are not subject to Federal Deposits Insurance Corporation limits, but are covered by the Securities Protection Corporation up to $500,000. From time to time, investment balances may exceed the insured limits. The Home has not experienced any losses in such amounts. Under FASB ASC 820, all the Home's investments are Level I inputs based on closing prices reported in active markets where the securities are traded. Investment returns include dividends, interest and realized and unrealized gains and losses on those investments.

Property and Equipment - Property and equipment are recorded at cost and depreciated over their estimated useful lives. It's the Home's policy to capitalize property and equipment over $2,500. Expenditures which increase the life of the related assets are capitalized. Expenditures for repairs and maintenance, including planned major maintenance are charged to expense as incurred.

Depreciation of property and equipment is provided using the straight-line method based on the following useful lives:

	Years
Buildings and improvements	5-40
Equipment	5-15
Furnishings	5-15
Vehicles	5

Long Lived Assets – Long lived assets to be held and used are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. When required, the impairment losses on assets to be held and used are recognized based on the fair value of the asset, and long lived assets to be disposed is reported at the lower of the carrying amount or fair value, less the cost to sell. No impairment losses were recognized during the year ended December 31, 2023.

Advertising Costs - Advertising costs are expensed as incurred and are included in administrative expenses. For the year ended December 31, 2023, advertising expense was $9,489.

Patient and Resident Accounts Receivable - The Home's primary credit risk is patient and resident accounts receivable, which consists of amounts primarily due from MediCal. The Home manages the receivables by regularly reviewing its accounts and by providing appropriate allowance for uncollectible amounts. During the current year, the Home became a licensed Medicare provider.

Patient Service Revenue - Private pay skilled nursing rates are recorded at a stated monthly fee established by the Home. MediCal reimburses the Home a per diem rate for the MediCal patients based on a cost report filed by the Home in previous years. MediCal determines a patient responsibility amount paid by the patient, and MediCal reimburses the balance.

Medicare uses a prospective payment system ("PPS") which is a predetermined rate expected to cover all per diem operating and capital costs. The rate is adjusted based on the geographic difference in labor costs and are computed separately for urban and rural areas.

In addition, payments for three components - physical therapy, occupation therapy and non-therapy ancillary ("NTA") are adjusted for the day of the stay, with higher payments for care furnished during earlier days in a stay. Payments for NTA services during the first three days are three times those for NTA services during later days. Payments for physical therapy and occupational therapy services are the same for the first 20 days of a stay and slowly decrease for later days. Medicare adjusts skilled nursing facility ("SNF") payments based on quality performance prior to the fiscal.

Medicare will pay up to 100 days. However, beginning on day 21, the patient is responsible for a daily copayment. The Medicare patient copay in 2023 was $204.

Assisted Living and Independent Living Revenue - The revenue recorded by the Home for assisted and independent living are recorded at rates established by the Home. Included in the Home's assisted living are residents whose rent is paid by supplemental income. The senior independent living referred to as the Village leases all units on month-to-month operating leases. Tenant security deposits on entrance are recorded as a liability in the Statement of Financial Position and either returned to the tenant upon leaving or applied to the last month's rent and recognized revenue at that time.

Compensated Absences - The Home accrues a liability for vested sick leave, holidays and vacations to which employees are entitled.

Income Taxes - The Home qualifies as a tax exempt organization under 501(c) of the Internal Revenue Code and Section 23701(d) of the state of California Corporate code. The Home's tax position is that all earnings are from its exempt function, and accordingly, none of the Home's earnings are unrelated business earnings which would be subject to income taxes. The Home's open tax years that would be subject to examination would be years beginning on or after 2020 for federal purposes and 2019 for the state of California.

Management of the Home does not believe its financial statements contain uncertain tax positions and none have been recorded in their financial statements. Management believes that their position, that all their income is from tax exempt function would be upheld under an examination.

During the prior year, the Home restated their articles of incorporation. In the original articles of incorporation, the Home was organized as a non-profit public benefit corporation. In 2021, the Home restated its articles to read that the Home is a religious corporation. It is organized under the non-profit religious corporation law exclusively for religious purposes.

2. FUNCTIONAL EXPENSES

The Home categorizes its mission into two divisions which includes:

1. Healthcare and assistance to seniors which are provided in its skilled nursing and assisted living division
2. Independent living for its seniors which are provided in its separate campus of 36 independent living condominiums

The Home reports its expenses on the Statement of Activities. The functional classification is included on its Combined Statement of Activities in the supplemental information section.

In the Statement of Functional Expenses, the Home separates its expenses by skilled nursing and assisted living, independent living, rental and management and general expenses.

Most all expenses are allocated to either the skilled nursing and assisted living programs or the independent living program by direct allocation. Each division has a separate campus, separate employees, separate dietary and plant operations. Supporting services relating to administration and general are allocated on direct allocation or on the basis of time studies for administrative salaries.

3. AVAILABILITY AND LIQUIDITY

Below represents the Home's financial assets at December 31, 2023:

	Without Donor Restrictions
Cash and cash equivalents	$ 408,626
Patient accounts receivable	1,434,134
Cash and investments	518,360
	2,361,120
Less investments used as security for Thrivent line of credit	(250,000)
	$2,111,120

The Home maintains a line of credit with Thrivent Federal Credit Union. The line provides for revolving borrowing up to $250,000. The interest rate is a variable rate at .5% over the base corporate rate. The loan is secured by an investment account being managed by Thrivent Investments for the Home. The fair value of the investment account at December 31, 2023 was $518,360 of which $250,000 is pledged as collateral for the Thrivent line of credit. As of December 31, 2023, there was no amount outstanding on the line of credit.

In 2023, the Home met all of the conditions to transfer any restricted funds to unrestricted. There were no restrictions on any funds during the year.

The Home received $1,714,824 plus accrued interest from Employee Retention Credit ("ERC") refunds. This amount was included in 2023 operating income. The amount could be subject to a claw-back by the IRS if under audit, the IRS determines the Home did not satisfy the criteria for the refund. The consultants used by the Home have specialized in employee tax credits since 2008 and have knowledge in the skilled nursing industry. They believe the Home has met the criteria to obtain all ERC claims.

Cash and receivables	$1,842,760
Investments	518,360
Total cash and investments	$2,361,120
Current liabilities	$ 895,626
Quick ratio	2.64%

The Home has additional ERC claims in the amount of $385,650 that have not been issued as of the date of the report. The Home has taken a conservative approach in relation to the remaining outstanding claim and has accounted for it as a contingent asset and has not recorded a receivable or reflected the income on its books.

4. PROPERTY AND EQUIPMENT

Property and equipment at December 31, 2023 were composed of the following:

Land	$ 61,730
Buildings and improvements	8,609,935
Equipment	1,112,405
Furniture and fixtures	375,294
Vehicles	20,420
	10,179,784
Less accumulated depreciation	6,946,834
	$ 3,232,950

5. STATE LICENSING

At December 31, 2023, the Home was licensed by the California Department of Public Health for 59 skilled nursing beds. The facility also has 25 apartments for assisted living and is licensed by the California Department of Social Services. The 36 unit senior independent living Village does not require licensing.

6. NON-OPERATING INVESTMENT INCOME

At December 31, 2023, non-operating revenues were composed primarily of the following:

Interest and dividend income	$ 21,427
Net realizable and unrealized gains on marketable securities	7,161
Less investment management fees	1,443
	$ 27,145

7. MARKETABLE SECURITIES AND FAIR VALUE MEASUREMENTS

The Home's investments are reported at fair value in the accompanying Statement of Financial Position. The fair market value accounting literature established a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy consists of three broad levels: Level 1 - inputs consist of unadjusted quoted prices in active markets and have the highest priority; Level 2 - inputs are inputs other than quoted prices in active markets and have the highest priority, and Level 3 - inputs are unobservable inputs and have the lowest priorities. The fair value of the equity securities was based on quoted market prices at December 31, 2023.

	Cost*	Valuation Adjustment	Fair Market Value
Money market funds	$ 517,518	$ -	$ 517,518
Bank of America	1,067	(225)	842
Total marketable securities	$ 518,585	$ (225)	$ 518,360

* Cost: Securities are recorded at cost when purchased and at fair market value if donated. At the end of the year, all marketable securities are adjusted to their fair market value which is shown as the cost at the beginning of the period.

8. NOTES PAYABLE

Note payable - National Acquisition Company, with an original interest rate of 2.125% and interest only payments of $12,983 through May 2023 after which the interest rate increased to a 7% fixed rate and payments increased to $15,988 including principal and interest. These payments will continue until May 2025 at which point the entire loan will be due. The loan is secured by a deed of trust on the Village and substantially all of the Home's real property.	$2,033,971

Note payable - Small Business Administration "SBA", in the amount of $2,000,000 subject to an annual interest rate of 2.75% on the unpaid principal balance. The borrower must begin principal and interest payments of $8,975 per month beginning 24 months from the date of the note. The SBA will apply each installment payment first to pay interest accrued and will then apply any remaining balance to reduce principal. All remaining and accrued interest is due and payable thirty years from the date of the note.	2,000,000
	4,033,971
Less unamortized loan costs	12,336
Less current portion	50,800
	$3,970,835

The estimated long-term debt maturities are as follows:

Year ending December 31,	
2024	$ 50,800
2025	1,983,171
2026	43,561
2027	54,253
2028	55,950
Thereafter	1,846,236
	$4,033,971

9. LEASE COMMITMENTS

The Home elected the package of practical expedients permitted within the standard, ASC 842, which allow an entity to forgo reassessing: (i) whether a contract contains a lease, (ii) classification of leases, and (iii) whether capitalized costs associated with a lease meet the definition of initial direct costs. For contracts entered into on or after the effective date, at the inception of a contract the Home will assess whether the contract is, or contains, a lease. The Home's assessment is based on: (i) whether the contract involves the use of a distinct identified asset, (ii) whether the Home obtained the right to substantially all the economic benefit from the use of the asset throughout the period, and (iii) whether the Home has the right to direct the use of the asset.

For operating leases, the lease liability is initially and subsequently measured at the present value of the unpaid lease payments. For finance leases, the lease liability is initially measured in the same manner and date as for operating leases and is subsequently measured at amortized cost using the

effective interest method. For operating leases, the implicit rates of the Home's leases are not readily determinable and, accordingly, the Home has taken the accounting policy election to use a risk-free rate as the discount rate. The lease term for all of the Home's leases includes the noncancellable period of the lease plus any additional periods covered by either a Home option to extend the lease that the Home is reasonably certain to exercise, or an option to extend the lease controlled by the lessor. All right-of-use ("ROU") assets are reviewed for impairment. Lease expense for operating leases consists of the lease payments plus any initial direct costs and is recognized on a straight-line basis over the lease term. Lease expense for finance leases consists of the amortization of the asset on a straight-line basis over the earlier of the lease term or its useful life and interest expense determined on an amortized cost basis. The lease payments are allocated between a reduction of the lease liability and interest expense. For the year ended December 31, 2023, the Home has no finance leases.

Leases – The Home leases three multipurpose laser printer and copiers under noncancellable operating leases which require minimum monthly rental payments. The leases originated in July 2019 and extended 63 months through October 2024. In 2023, the Home entered into three new leasing arrangements for copy machines and office equipment. The lease in February was for 63 months and will expire in May 2028. The lease originating in April was for 60 months and will expire in April 2028. The lease originating in September was also 60 months and will expire in September 2028. The leases are all noncancellable operating leases that require minimum monthly rental payments.

Amounts reported in the Statement of Financial Position for the Home's lease assets and liabilities as of December 31, 2023 were as follows:

Operating lease right-of-use asset	$ 75,678
Operating lease liability, current	$ 19,432
Operating lease liability, long-term	$ 56,246

Lease costs associated with third party operating leases as of December 31, 2023 were as follows:

Fixed payments	$ 18,378

Supplemental information related to leases was as follows:

Supplemental disclosure of non-cash leasing activities:	
Cash paid for amounts included in the measurement of operating lease liabilities	$ 18,378
Weighted average remaining lease term (years) for operating lease liabilities	3.58
Weighted average discount rate:	
Operating leases	2.55%

See independent accountants' review report.

Maturity Analysis of Operating Lease Liabilities – Third party leases as of December 31, 2023 were as follows:

2024	$ 22,149
2025	17,244
2026	17,244
2027	17,244
2028	5,744
Total future lease payments	79,625
Less imputed interest	(3,947)
Total present value of leases	$ 75,678
Lease liability, current	$ 19,432
Lease liability, noncurrent	56,246
Total operating lease liability	$ 75,678

10. CONCENTRATIONS

The Home grants credit without collateral to its patients and residents, most of whom are local residents. In 2023, the Home's operating revenues were from the following:

MediCal	54.30%	Reimburses the Home on per diem rate
Medicare	13.27%	Predetermined rate per day
Private – including:		
Skilled nursing	32.43%	
Patient portion MediCal		
Assisted living		
Independent living		

The mix of receivables from patients and residents at December 31, 2023 is shown below:

MediCal	70%
Medicare	24%
Private	6%
	100%

The Home maintains cash accounts at US Bank which at times exceeds federally insured limits of $250,000. The Home believes US Bank is a high credit quality financial institution. The Home has not experienced, nor does it anticipate any losses to such accounts.

11. NET ASSETS RELEASED FROM RESTRICTIONS AND USED IN OPERATIONS

Net assets released from the capital improvement fund	$ 154,250

The Home, from time to time, transfers money from its donor restricted fund for capital improvements and mortgage retirement to reimburse the unrestricted fund for property acquisitions.

12. SUBSEQUENT EVENTS

The Home has evaluated subsequent events through July 8, 2024, the date the financial statements were available to be issued in determining the accounting for and disclosures of transactions and events that affect the financial statements.

* * * * * *

SUPPLEMENTARY INFORMATION

BETHEL LUTHERAN HOME, INC.

COMBINED STATEMENT OF ACTIVITIES
YEAR ENDED DECEMBER 31, 2023

	Skilled Nursing & Residential	Village	Building Rental	Combined
REVENUES:				
Patient service revenues	$6,374,622	$ -	$ -	$6,374,622
Residential rents - assisted care	385,282	-	-	385,282
Village rents	-	787,220	-	787,220
Building rental	-	-	42,000	42,000
Other operating	29,472	2,180	-	31,652
Employee retention credit - grant	1,714,824	-	-	1,714,824
Employee retention credit - interest	161,577	-	-	161,577
Contributions	18,154	-	-	18,154
Gain on sale of building	-	-	39,954	39,954
Net assets released from restrictions used for operations	154,250	-	-	154,250
Total revenues	8,838,181	789,400	81,954	9,709,535
OPERATING EXPENSES:				
Nursing services skilled	3,170,758	-	-	3,170,758
Nursing services assisted	253,780	-	-	253,780
Village caregiver	-	89,328	-	89,328
Quality assurance fee	339,307	-	-	339,307
Employee retention credit filing fee	257,223	-	-	257,223
Dietary	762,900	264,913	-	1,027,813
Plant operations and maintenance	694,950	182,527	-	877,477
Administrative	1,164,191	116,732	-	1,280,923
Bad debt expense	160,500	-	-	160,500
Housekeeping	370,056	101,473	-	471,529
Activities	243,747	-	-	243,747
Inservice	68,905	-	-	68,905
Workmen's comp audit	88,827	-	-	88,827
Property taxes	13,926	14,168	5,394	33,488
Depreciation	99,684	143,701	13,175	256,560
Amortization	-	2,034	-	2,034
Loan amortization interest	-	7,906	-	7,906
Mortgage interest	62,241	145,735	6,010	213,986
Total operating expenses	7,750,995	1,068,517	24,579	8,844,091
INCOME (LOSS) FROM OPERATIONS	1,087,186	(279,117)	57,375	865,444
NON-OPERATING INVESTMENT INCOME	27,145	-	-	27,145
INCREASE (DECREASE) IN NET ASSETS	$1,114,331	$ (279,117)	$ 57,375	$ 892,589

See independent accountants' review report.

EXHIBIT 3

to

Section §999. 5(d)(11)(F)

RATZLAFF TAMBERI & GILL
CERTIFIED PUBLIC ACCOUNTANTS
7650 N. Palm Avenue, Suite 105, Fresno CA, 93711
559.432.0300

Bethel Lutheran Home, Inc.

Financial Statements and
Supplementary Information
For the Three Months Ended March 31, 2025
Accountants' Disclaimer Report

BETHEL LUTHERAN HOME, INC.

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ACCOUNTANTS' DISCLAIMER REPORT

Board of Directors
Bethel Lutheran Home, Inc.
Selma, California

The accompanying financial statements of Bethel Lutheran Home, Inc. (the "Company") as of, and for, the three months ended March 31, 2025 omit substantially all disclosures. We did not audit, review or compile the financial statements or supplementary information nor were we required to perform any procedures to verify the accuracy or completeness of the information provided by management. We do not express an opinion, a conclusion, nor provide any assurance on these financial statements.

Ratzlaff Tamberi & Gill

Fresno, California
May 12, 2025

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MEMBER AMERICAN INSTITUTE OF CERTIFIED PUBLIC ACCOUNTANTS

Bethel Lutheran Home, Inc.
Balance Sheet - Unrestricted Fund
As of March 31, 2025

	Mar 31, 25
ASSETS	
Current Assets	
Checking/Savings	
1002.00 · Union Bank - general checking	219,824.12
1002.02 · Union Bank - payroll #1333	(3,240.66)
1002.12 · UB - gifts & memorials	3,971.59
1002.14 · UB - village deposits	1,000.00
1004.00 · Petty cash	1,824.26
1004.01 · Petty cash - Village	998.71
Total Checking/Savings	224,378.02
Other Current Assets	
1022.01 · MediCal receivable - SNF	468,517.88
1022.05 · Hospice care receivable	37,026.98
1023.01 · Receivable - SNF (private pay)	(18,763.90)
1023.02 · Receivable - residential	13,496.45
1023.04 · Receivable - Village	(23,560.94)
1023.09 · Patient liability	(4,525.79)
1025.00 · Allowance for doubtful accounts	(285,127.45)
1039.01 · Patient & resident A/R	2,149.00
1040.00 · Receivable - employee advance	(328.00)
1101.00 · Prepaid insurance	5,903.31
1108.00 · Prepaid expenses	51,898.34
1110.30 · A/R - Medicare A coin from pvt	3,731.00
1110.40 · A/R-Medicare B coins fm pvt	156.74
1120.30 · A/R-Med A coins from Medicaid	13,331.10
1120.40 · A/R-Med B coins from Medicaid	15,578.01
1130.30 · A/R - Medicare A	110,427.16
1140.40 · A/R - Medicare B	94,017.68
1150.20 · A/R - Medicare A coins from ins	7,533.16
1150.30 · A/R-Medicare B coins fm ins	584.12
1160.60 · A/R - Managed care	74,014.08
1721.23 · 25 sh Bank of America stock	1,043.25
Total Other Current Assets	567,102.18
Total Current Assets	791,480.20
Fixed Assets	
1200.00 · Land	61,730.00
1221.00 · Buildings & improvements	8,893,685.07
1241.00 · Equipment	1,129,230.68
1243.00 · Furniture & fixtures	379,535.82
1244.00 · Vehicles	20,420.00
1259.00 · Construction interest	81,372.00
1259.02 · Accumulated amortization	(49,838.00)
1271.00 · A/D - buildings & improvements	(7,234,276.51)
Total Fixed Assets	3,281,859.06
TOTAL ASSETS	**4,073,339.26**
LIABILITIES & EQUITY	
Liabilities	
Current Liabilities	
Other Current Liabilities	
2011.00 · Accounts payable	370,758.37
2020.00 · Payable to MediCal	183,217.82
2021.00 · Accrued wages	194,241.13
2022.00 · Accrued vacation & sick pay	154,214.96
2026.00 · FICA payable	14,531.64
2029.01 · Garnishments	3,120.74
2091.00 · Village deposits	85,367.30
2092.00 · Current portion due on n/p	50,800.00

See accountants' disclaimer report.

Bethel Lutheran Home, Inc.
Balance Sheet - Unrestricted Fund
As of March 31, 2025

	Mar 31, 25
2096.00 · Debt issuance costs	(79,907.00)
2097.00 · Loan fee amortization	78,391.25
Total Other Current Liabilities	1,054,736.21
Total Current Liabilities	1,054,736.21
Long Term Liabilities	
2035.00 · L/P - SBA	2,117,570.63
2094.00 · Trust deed note payable	1,969,533.08
2094.01 · Less current portion due on n/p	(50,800.00)
Total Long Term Liabilities	4,036,303.71
Total Liabilities	5,091,039.92
Equity	
2410.00 · Unrestricted fund balance	(323,144.25)
Net Income	(694,556.41)
Total Equity	(1,017,700.66)
TOTAL LIABILITIES & EQUITY	**4,073,339.26**

See accountants' disclaimer report.

Bethel Lutheran Home, Inc.
Statement of Revenues over Expenses - SNF & Residential Care
For the Three Months Ended March 31, 2025

	Jan - Mar 25	
Ordinary Income/Expense		
Income		
3100.05 · Skilled nursing - MediCal	683,444.24	
3100.07 · C/A - MediCal	(260,173.61)	
3100.10 · Skilled nursing - private	125,102.86	
3100.30 · Skilled nursing - patient liab	136,737.35	
3200.00 · Room & Board - Medicare A	100,186.12	
3200.05 · Contractual Allow-Med A R & B	127,328.52	
3200.10 · Contractual Allow-Med A Ancill	(45,711.95)	
3200.40 · Contractual Allow - Med B	(23,795.61)	
3600.00 · Hospice inpatient care	200,906.09	
4000.30 · OT Medicare A	14,981.31	
4000.40 · OT Medicare B	35,683.22	
4010.30 · PT Medicare A	18,615.14	
4010.40 · PT Medicare B	32,097.83	
4020.10 · Speech - private pay	89.62	
4020.30 · Speech Medicare A	1,776.29	
4020.40 · Speech Medicare B	(8.92)	
4060.40 · Drug Rev Med A	7,442.17	
4080.30 · X-Ray - Medicare A	1,325.85	
4090.30 · Lab revenue-Medicare A	1,571.19	
4200.00 · Noncovered services	(4,095.00)	
5770.00 · Non-patient food revenue	60.00	
5990.00 · Other operating revenue	68,672.79	
9105.08 · Interest income - late rent	210.49	
9108.05 · Residential care - SSI	3,972.00	
9108.10 · Residential care - private	82,605.30	
9108.20 · Processing fees	1,100.00	
Total Income		1,310,123.29
Expense		
6110.00 · Nursing expenses		
6110.01 · Nursing salaries - supervisors	30,250.02	
6110.12 · Nursing salaries - RN's	78,159.59	
6110.13 · Nursing salaries - LVN's	149,983.21	
6110.14 · Nursing salaries - aids & techs	282,272.21	
6110.15 · Nursing salaries - assistants	6,034.60	
6110.21 · Employer portion - FICA	44,051.70	
6110.22 · State unemployment taxes	12,330.63	
6110.25 · Group health insurance	19,030.22	
6110.27 · Workman's comp insurance	29,245.75	
6110.41 · Medical director fees	3,000.00	
6110.53 · Pharmacy expense	21,008.85	
6110.54 · Medical supplies	5,740.57	
6110.69 · Non-medical supplies	23,697.94	
6110.85 · Consulting	3,908.85	
6110.88 · Continuing education	1,263.99	
6110.89 · Contracted therapy service exp	91,013.54	
6110.90 · Nursing supplies - COVID	2,393.79	
Total 6110.00 · Nursing expenses		803,385.46
6200.00 · Plant expenses		
6200.19 · Salaries - plant operation	33,785.17	
6200.21 · Plant employer portion - FICA	2,981.82	
6200.22 · Plant state unemployment taxes	834.65	
6200.25 · Plant group health insurance	867.89	
6200.27 · Plant w/c insurance	1,979.62	
6200.69 · Plant supplies	4,457.36	
6200.72 · Repairs & maintenance	33,604.14	
6200.82 · Utilities	71,700.90	
Total 6200.00 · Plant expenses		150,211.55
6300.00 · Housekeeping expenses		
6300.19 · Salaries - housekeeping	81,307.56	

See accountants' disclaimer report.

Bethel Lutheran Home, Inc.
Statement of Revenues over Expenses - SNF & Residential Care
For the Three Months Ended March 31, 2025

	Jan - Mar 25
6300.21 · Housekeeping employer ptn-FICA	6,508.31
6300.22 · Housekeeping state unemploy tax	1,821.76
6300.25 · Housekeeping group health ins	2,003.95
6300.27 · Housekeeping W/C	4,320.84
6300.69 · Housekeeping supplies	10,822.78
6400.69 · Linen supplies	2,514.86
Total 6300.00 · Housekeeping expenses	109,300.06
6500.00 · Dietary expenses	
6500.19 · Salaries - dietary	101,150.94
6500.21 · Dietary employer portion - FICA	16,066.34
6500.22 · Dietary state unemployment tax	4,497.17
6500.25 · Dietary group health insurance	4,812.41
6500.27 · Dietary W/C insurance	5,333.19
6500.46 · Dietician	4,143.75
6500.55 · Food costs	51,225.65
6500.69 · Non-food supplies	10,777.57
Total 6500.00 · Dietary expenses	198,007.02
6700.00 · Activity expenses	
6700.03 · Social coordinator	15,424.53
6700.04 · Salaries - activities director	10,317.00
6700.19 · Salaries - activities	30,617.51
6700.21 · Activities employer ptn - FICA	4,386.02
6700.22 · Activities state UI taxes	1,227.70
6700.25 · Activities group health ins	6,221.51
6700.27 · Activities W/C insurance	2,911.86
6700.69 · Activity expense & supplies	1,250.22
Total 6700.00 · Activity expenses	72,356.35
6800.00 · Insvc & orientation expenses	
6800.19 · Salaries - Insvc & orientation	18,729.76
6800.21 · Insvc employer portion FICA	1,445.51
6800.22 · Insvc state unemployment taxes	404.62
6800.27 · Inservice W/C insurance	959.67
Total 6800.00 · Insvc & orientation expenses	21,539.56
6900.00 · Administrative expenses	
6900.01 · Salaries - administrator	42,033.38
6900.18 · Salaries - other administrative	114,982.59
6900.21 · Admin employer portion FICA	12,294.06
6900.22 · Admin state unemployment taxes	3,441.26
6900.25 · Admin group health ins	8,976.33
6900.27 · Admin W/C insurance	2,545.29
6900.47 · Legal fees	31,136.48
6900.48 · Accounting fees	5,601.00
6900.49 · Other professional fees	29,719.89
6900.50 · Administrative consultant	750.00
6900.58 · Office expense & supplies	9,393.87
6900.59 · Ads for employees	1,200.00
6900.81 · Auto, travel & conventions	1,033.53
6900.87 · Dues & subscriptions	1,215.41
6900.89 · Taxes & licenses	18,142.79
6900.90 · General insurance	54,649.98
6900.97 · Bad debt expense	
6900.98 · Telephone	12,605.60
6900.99 · Miscellaneous expense	33,429.16
6909.10 · Staff appreciation	600.00
6909.50 · Postage	1,014.53
6909.95 · Interest expense - SBA loan	14,552.92
6909.96 · Payroll billings	8,558.45
6909.97 · Interest expense	1,347.15
6909.98 · Bank charges	554.80
6910.49 · Data processing fees	35.00

See accountants' disclaimer report.

Bethel Lutheran Home, Inc.
Statement of Revenues over Expenses - SNF & Residential Care
For the Three Months Ended March 31, 2025

	Jan - Mar 25
8901.00 · Haircuts	2,120.00
8910.00 · Quality assurance fees	92,971.01
Total 6900.00 · Administrative expenses	504,904.48
9109.00 · Residential nurses	
9109.19 · Salaries - residential care	73,271.87
9109.21 · Residential ER portion FICA	6,671.81
9109.22 · Residential state UI taxes	1,867.52
9109.25 · Residential group health ins	1,092.18
9109.27 · Residential W/C insurance	6,843.90
Total 9109.00 · Residential nurses	89,747.28
Total Expense	1,949,451.76
Net Ordinary Income	(639,328.47)
Other Income/Expense	
Other Income	
9103.00 · Unrestricted contributions	17,388.78
9105.02 · Dividend income	683.92
9105.04 · Unrealized gain/loss	(49.00)
Total Other Income	18,023.70
Other Expense	
7110.00 · Depreciation - bldgs & improve	22,267.00
7120.00 · Depreciation - equipment	9,796.00
7140.00 · Depreciation - furniture & fixt	605.00
7150.00 · Depreciation - auto	453.00
7300.00 · Property taxes	26,168.61
Total Other Expense	59,289.61
Net Other Income	(41,265.91)
Net Income	**(680,594.38)**

See accountants' disclaimer report.

Bethel Lutheran Home, Inc.
Statement of Revenues over Expenses - The Village
For the Three Months Ended March 31, 2025

	Jan - Mar 25	
Ordinary Income/Expense		
Income		
9500.01 · Village rents	284,208.56	
9551.01 · Meal tickets	1,440.00	
9580.00 · Misc charges - Village	130.00	
Total Income		285,778.56
Expense		
9620.00 · Vlg plant expenses		
9620.19 · Plant salaries	7,129.53	
9620.21 · Vlg plant employer portion FICA	552.08	
9620.22 · Plant state UI taxes	154.53	
9620.27 · Vlg plant W/C insurance	362.39	
9620.69 · Vlg plant supplies	623.82	
9620.72 · Vlg repairs & maintenance	15,060.22	
9620.82 · Vlg utilities	20,968.04	
Total 9620.00 · Vlg plant expenses		44,850.61
9630.00 · Vlg housekeeping expense		
9630.19 · Vlg housekeeping salaries	22,206.73	
9630.21 · Vlg housekping ER portion FICA	1,406.36	
9630.22 · Vlg housekeeping state UI taxes	393.66	
9630.25 · Vlg housekeeping grp health ins	3,208.27	
9630.27 · Vlg housekeeping W/C ins	923.15	
9630.69 · Vlg housekeeping supplies	337.30	
Total 9630.00 · Vlg housekeeping expense		28,475.47
9650.00 · Vlg dietary expense		
9650.19 · Vlg dietary salaries	44,420.64	
9650.21 · Vlg dietary ER portion FICA	3,640.95	
9650.22 · Vlg dietary state UI taxes	1,019.15	
9650.25 · Vlg dietary group health ins	897.15	
9650.27 · Vlg dietary W/C insurance	2,389.95	
9650.55 · Village dietary - food	19,667.17	
9650.69 · Village dietary - supplies	2,564.83	
Total 9650.00 · Vlg dietary expense		74,599.84
9690.00 · Vlg administrative expense		
9670.69 · Vlg activities expense	51.60	
9690.17 · Vlg administrative salaries	17,337.47	
9690.21 · Vlg admin ER portion FICA	1,321.41	
9690.22 · Vlg admin state UI taxes	369.89	
9690.25 · Vlg admin group health ins	1,648.01	
9690.27 · Vlg admin W/C insurance	867.39	
9690.69 · Vlg administrative supplies	42.95	
9690.70 · Marketing supplies	171.38	
9690.89 · Village taxes & licenses	594.00	
9690.90 · Vlg general insurance	13,029.99	
9690.99 · Vlg miscellaneous expense	2,500.00	
Total 9690.00 · Vlg administrative expense		37,934.09
Total Expense		185,860.01
Net Ordinary Income		99,918.55
Other Income/Expense		
Other Expense		
9675.00 · Mortgage interest	34,622.79	
9676.00 · Interest expense loan fees	2,249.35	
9711.00 · Depreciation - bldgs & improvem	37,609.00	
9712.00 · Depreciation - Vlg equipment	133.00	
9715.00 · Amortization	513.00	
9730.00 · Vlg property taxes	38,753.44	

See accountants' disclaimer report.

Bethel Lutheran Home, Inc.
Statement of Revenues over Expenses - The Village
For the Three Months Ended March 31, 2025

	Jan - Mar 25
Total Other Expense	113,880.58
Net Other Income	(113,880.58)
Net Income	**(13,962.03)**

See accountants' disclaimer report.

Bethel Lutheran Home, Inc.
Statement of Changes in Fund Balances
For the Three Months Ended March 31, 2025

UNRESTRICTED FUND

Balance at beginning of year	$	(323,144.25)
Revenue over (under) expenses		(680,594.38)
Village operations		(13,962.03)
Balance at end of period	$	(1,017,700.66)

See accountants' disclaimer report.

SUPPLEMENTARY INFORMATION

Bethel Lutheran Home, Inc.
Statement of Cash and Marketable Securities
March 31, 2025
Schedule #1

UNRESTRICTED FUND

Schedule of cash and marketable securities	
1002.00 · Union Bank - general checking	$ 219,824.12
1002.02 · Union Bank - payroll #1333	(3,240.66)
1002.12 · UB - gifts & memorials	3,971.59
1002.14 · UB - village deposits	1,000.00
1004.00 · Petty cash	1,824.26
1004.01 · Petty cash - Village	998.71
1005.11 · Thrivent Credit Union - Svgs	0.00
1005.15 · Thrivent - Estate Acct	0.00
1712.07 · Fidelity ERC account	0.00
1721.23 · 25 Sh Bank of America	1,043.25
Cash and marketable securities in current assets	225,421.27
TOTAL CASH AND MARKETABLE SECURITIES	$ 225,421.27

See accountants' disclaimer report.

Bethel Lutheran Home, Inc.
Comparative Stmts of Revenues Over Exp - SNF & Residential
For the Three Months Ended 3/31/25 & 3/31/24

	Jan - Mar 25	Jan - Mar 24
Ordinary Income/Expense		
Income		
3100.05 · Skilled nursing - MediCal	683,444.24	914,670.15
3100.07 · C/A - MediCal	(260,173.61)	(23,841.36)
3100.10 · Skilled nursing - private	125,102.86	150,908.66
3100.30 · Skilled nursing - patient liab	136,737.35	121,350.86
3100.60 · Contractural Allow - Mdg care	0.00	19,760.67
3200.00 · Room & Board - Medicare A	100,186.12	149,290.00
3200.05 · Contractual Allow-Med A R & B	127,328.52	185,869.74
3200.10 · Contractual Allow-Med A Ancill	(45,711.95)	(93,623.72)
3200.40 · Contractual Allow - Med B	(23,795.61)	(31,290.28)
3600.00 · Hospice inpatient care	200,906.09	143,204.43
4000.20 · OT Medicaid	0.00	994.53
4000.30 · OT Medicare A	14,981.31	36,886.29
4000.40 · OT Medicare B	35,683.22	61,559.39
4000.60 · OT managed care	0.00	7,319.04
4010.20 · PT Medicaid	0.00	2,804.98
4010.30 · PT Medicare A	18,615.14	38,187.53
4010.40 · PT Medicare B	32,097.83	52,628.18
4010.60 · PT Managed care	0.00	7,701.20
4020.10 · Speech - private pay	89.62	0.00
4020.20 · Speech Medicaid	0.00	(895.80)
4020.30 · Speech Medicare A	1,776.29	1,865.90
4020.40 · Speech Medicare B	(8.92)	3,675.87
4020.60 · Speech managed care	0.00	2,618.72
4060.40 · Drug Rev Med A	7,442.17	13,339.66
4060.60 · Drug rev managed care	0.00	4,592.03
4080.30 · X-Ray - Medicare A	1,325.85	1,475.41
4090.30 · Lab revenue-Medicare A	1,571.19	1,889.79
4090.60 · Lab revenue - managed care	0.00	238.77
4200.00 · Noncovered services	(4,095.00)	(13,378.99)
5770.00 · Non-patient food revenue	60.00	0.00
5800.00 · Rebates & refunds on expenses	0.00	493.09
5990.00 · Other operating revenue	68,672.79	11,430.07
9105.08 · Interest income - late rent	210.49	0.30
9108.05 · Residential care - SSI	3,972.00	3,972.00
9108.10 · Residential care - private	82,605.30	105,798.45
9108.20 · Processing fees	1,100.00	2,600.00
Total Income	1,310,123.29	1,884,095.56
Expense		
6110.00 · Nursing expenses		
6110.01 · Nursing salaries - supervisors	30,250.02	30,280.02
6110.12 · Nursing salaries - RN's	78,159.59	49,694.85
6110.13 · Nursing salaries - LVN's	149,983.21	187,416.78
6110.14 · Nursing salaries - aids & techs	282,272.21	267,125.33
6110.15 · Nursing salaries - assistants	6,034.60	0.00
6110.21 · Employer portion - FICA	44,051.70	38,146.75
6110.22 · State unemployment taxes	12,330.63	13,674.00
6110.25 · Group health insurance	19,030.22	16,515.08
6110.27 · Workman's comp insurance	29,245.75	38,947.56
6110.41 · Medical director fees	3,000.00	3,000.00
6110.53 · Pharmacy expense	21,008.85	22,474.19
6110.54 · Medical supplies	5,740.57	6,549.42
6110.69 · Non-medical supplies	23,697.94	36,723.63
6110.85 · Consulting	3,908.85	1,927.85
6110.88 · Continuuing education	1,263.99	1,291.50
6110.89 · Contracted therapy service exp	91,013.54	167,025.32
6110.90 · Nursing supplies - COVID	2,393.79	764.42
Total 6110.00 · Nursing expenses	803,385.46	881,556.70
6200.00 · Plant expenses		
6200.19 · Salaries - plant operation	33,785.17	28,472.45
6200.21 · Plant employer portion - FICA	2,981.82	1,977.09
6200.22 · Plant state unemployment taxes	834.65	20.13

See accountants' disclaimer report.

Bethel Lutheran Home, Inc.
Comparative Stmts of Revenues Over Exp - SNF & Residential
For the Three Months Ended 3/31/25 & 3/31/24

	Jan - Mar 25	Jan - Mar 24
6200.25 · Plant group health insurance	867.89	1,320.90
6200.27 · Plant w/c insurance	1,979.62	2,018.59
6200.69 · Plant supplies	4,457.36	11,039.98
6200.72 · Repairs & maintenance	33,604.14	52,231.70
6200.82 · Utilities	71,700.90	83,362.96
Total 6200.00 · Plant expenses	150,211.55	180,443.80
6300.00 · Housekeeping expenses		
6300.19 · Salaries - housekeeping	81,307.56	84,806.57
6300.21 · Housekeeping employer ptn-FICA	6,508.31	6,099.88
6300.22 · Housekeeping state unemploy tax	1,821.76	62.11
6300.25 · Housekeeping group health ins	2,003.95	1,611.04
6300.27 · Housekeeping W/C	4,320.84	6,227.93
6300.69 · Housekeeping supplies	10,822.78	10,234.22
6400.69 · Linen supplies	2,514.86	23,777.20
6400.72 · Laundry & linen purchases	0.00	2,368.48
Total 6300.00 · Housekeeping expenses	109,300.06	135,187.43
6500.00 · Dietary expenses		
6500.19 · Salaries - dietary	101,150.94	112,928.50
6500.21 · Dietary employer portion - FICA	16,066.34	16,147.26
6500.22 · Dietary state unemployment tax	4,497.17	164.41
6500.25 · Dietary group health insurance	4,812.41	4,504.80
6500.27 · Dietary W/C insurance	5,333.19	8,243.12
6500.46 · Dietician	4,143.75	8,775.00
6500.55 · Food costs	51,225.65	56,061.48
6500.69 · Non-food supplies	10,777.57	9,116.81
Total 6500.00 · Dietary expenses	198,007.02	215,941.38
6700.00 · Activity expenses		
6700.03 · Social coordinator	15,424.53	12,078.67
6700.04 · Salaries - activities director	10,317.00	11,799.63
6700.19 · Salaries - activities	30,617.51	30,589.65
6700.21 · Activities employer ptn - FICA	4,386.02	3,832.23
6700.22 · Activities state UI taxes	1,227.70	39.02
6700.25 · Activities group health ins	6,221.51	1,385.80
6700.27 · Activities W/C insurance	2,911.86	3,912.68
6700.69 · Activity expense & supplies	1,250.22	1,185.84
Total 6700.00 · Activity expenses	72,356.35	64,823.52
6800.00 · Insvc & orientation expenses		
6800.19 · Salaries - Insvc & orientation	18,729.76	15,735.30
6800.21 · Insvc employer portion FICA	1,445.51	1,112.16
6800.22 · Insvc state unemployment taxes	404.62	11.32
6800.25 · Insvc group health insurance	0.00	125.98
6800.27 · Inservice W/C insurance	959.67	1,135.51
Total 6800.00 · Insvc & orientation expenses	21,539.56	18,120.27
6900.00 · Administrative expenses		
6900.01 · Salaries - administrator	42,033.38	69,341.03
6900.18 · Salaries - other administrative	114,982.59	107,346.48
6900.21 · Admin employer portion FICA	12,294.06	11,870.55
6900.22 · Admin state unemployment taxes	3,441.26	120.86
6900.25 · Admin group health ins	8,976.33	6,268.55
6900.27 · Admin W/C insurance	2,545.29	5,473.55
6900.47 · Legal fees	31,136.48	1,644.00
6900.48 · Accounting fees	5,601.00	15,995.00
6900.49 · Other professional fees	29,719.89	67,898.33
6900.50 · Administrative consultant	750.00	2,400.00
6900.58 · Office expense & supplies	9,393.87	11,577.94
6900.59 · Ads for employees	1,200.00	900.00
6900.81 · Auto, travel & conventions	1,033.53	2,084.51
6900.87 · Dues & subscriptions	1,215.41	100.00

See accountants' disclaimer report.

Bethel Lutheran Home, Inc.
Comparative Stmts of Revenues Over Exp - SNF & Residential
For the Three Months Ended 3/31/25 & 3/31/24

	Jan - Mar 25	Jan - Mar 24
6900.89 · Taxes & licenses	18,142.79	16,702.25
6900.90 · General insurance	54,649.98	57,746.33
6900.97 · Bad debt expense	0.00	0.00
6900.98 · Telephone	12,605.60	4,055.75
6900.99 · Miscellaneous expense	33,429.16	6,183.15
6909.10 · Staff appreciation	600.00	1,086.15
6909.50 · Postage	1,014.53	1,068.46
6909.95 · Interest expense - SBA loan	14,552.92	13,712.32
6909.96 · Payroll billings	8,558.45	4,023.93
6909.97 · Interest expense	1,347.15	1.36
6909.98 · Bank charges	554.80	471.64
6910.49 · Data processing fees	35.00	241.43
8901.00 · Haircuts	2,120.00	3,756.00
8910.00 · Quality assurance fees	92,971.01	95,167.33
Total 6900.00 · Administrative expenses	504,904.48	507,236.90
9109.00 · Residential nurses		
9109.19 · Salaries - residential care	73,271.87	61,596.21
9109.21 · Residential ER portion FICA	6,671.81	4,375.92
9109.22 · Residential state UI taxes	1,867.52	44.55
9109.25 · Residential group health ins	1,092.18	881.87
9109.27 · Residential W/C insurance	6,843.90	6,972.94
Total 9109.00 · Residential nurses	89,747.28	73,871.49
Total Expense	1,949,451.76	2,077,181.49
Net Ordinary Income	(639,328.47)	(193,085.93)
Other Income/Expense		
Other Income		
3820.00 · Employee retention credit	0.00	347,493.69
3825.00 · Hiring incentives fee	0.00	(52,124.05)
9103.00 · Unrestricted contributions	17,388.78	8,475.88
9105.01 · Interest income	0.00	65,919.64
9105.02 · Dividend income	683.92	14,390.44
9105.04 · Unrealized gain/loss	(49.00)	(3,042.01)
Total Other Income	18,023.70	381,113.59
Other Expense		
6909.99 · Account fees	0.00	0.96
6910.00 · Prior year W/C audit expense	0.00	107,109.00
7110.00 · Depreciation - bldgs & improve	22,267.00	18,060.00
7120.00 · Depreciation - equipment	9,796.00	9,371.00
7140.00 · Depreciation - furniture & fixt	605.00	630.00
7150.00 · Depreciation - auto	453.00	453.00
7300.00 · Property taxes	26,168.61	3,661.09
Total Other Expense	59,289.61	139,285.05
Net Other Income	(41,265.91)	241,828.54
Net Income	**(680,594.38)**	**48,742.61**

See accountants' disclaimer report.

Bethel Lutheran Home, Inc.
Comparative Stmts of Revenues over Expenses - Village
For the Three Months Ended 3/31/25 & 3/31/24

	Jan - Mar 25	Jan - Mar 24
Ordinary Income/Expense		
Income		
9500.01 · Village rents	284,208.56	215,645.35
9551.01 · Meal tickets	1,440.00	410.00
9580.00 · Misc charges - Village	130.00	270.52
Total Income	285,778.56	216,325.87
Expense		
9620.00 · Vlg plant expenses		
9620.19 · Plant salaries	7,129.53	9,449.69
9620.21 · Vlg plant employer portion FICA	552.08	744.95
9620.22 · Plant state UI taxes	154.53	7.58
9620.27 · Vlg plant W/C insurance	362.39	824.42
9620.69 · Vlg plant supplies	623.82	2,209.43
9620.72 · Vlg repairs & maintenance	15,060.22	13,977.57
9620.82 · Vlg utilities	20,968.04	19,291.66
Total 9620.00 · Vlg plant expenses	44,850.61	46,505.30
9630.00 · Vlg housekeeping expense		
9630.19 · Vlg housekeeping salaries	22,206.73	20,325.62
9630.21 · Vlg housekping ER portion FICA	1,406.36	1,205.87
9630.22 · Vlg housekeeping state UI taxes	393.66	12.28
9630.25 · Vlg housekeeping grp health ins	3,208.27	2,584.54
9630.27 · Vlg housekeeping W/C ins	923.15	1,334.51
9630.69 · Vlg housekeeping supplies	337.30	817.69
Total 9630.00 · Vlg housekeeping expense	28,475.47	26,280.51
9650.00 · Vlg dietary expense		
9650.19 · Vlg dietary salaries	44,420.64	40,481.88
9650.21 · Vlg dietary ER portion FICA	3,640.95	2,708.63
9650.22 · Vlg dietary state UI taxes	1,019.15	27.58
9650.25 · Vlg dietary group health ins	897.15	1,649.22
9650.27 · Vlg dietary W/C insurance	2,389.95	2,997.60
9650.55 · Village dietary - food	19,667.17	27,154.13
9650.69 · Village dietary - supplies	2,564.83	2,585.15
Total 9650.00 · Vlg dietary expense	74,599.84	77,604.19
9670.00 · Vlg caregiver		
9670.19 · Vlg caregiver salaries	0.00	14,994.90
9670.21 · Vlg caregiver ER portion FICA	0.00	1,038.37
9670.22 · Vlg caregiver state UI taxes	0.00	10.57
9670.27 · Vlg caregiver W/C insurance	0.00	1,149.15
Total 9670.00 · Vlg caregiver	0.00	17,192.99
9690.00 · Vlg administrative expense		
9670.69 · Vlg activities expense	51.60	438.31
9690.17 · Vlg administrative salaries	17,337.47	11,289.73
9690.21 · Vlg admin ER portion FICA	1,321.41	782.93
9690.22 · Vlg admin state UI taxes	369.89	7.99
9690.25 · Vlg admin group health ins	1,648.01	1,328.55
9690.27 · Vlg admin W/C insurance	867.39	866.45
9690.69 · Vlg administrative supplies	42.95	0.00
9690.70 · Marketing supplies	171.38	1,980.13
9690.89 · Village taxes & licenses	594.00	0.00
9690.90 · Vlg general insurance	13,029.99	10,317.75
9690.99 · Vlg miscellaneous expense	2,500.00	55.75
Total 9690.00 · Vlg administrative expense	37,934.09	27,067.59
Total Expense	185,860.01	194,650.58
Net Ordinary Income	99,918.55	21,675.29
Other Income/Expense		

See accountants' disclaimer report.

Bethel Lutheran Home, Inc.
Comparative Stmts of Revenues over Expenses - Village
For the Three Months Ended 3/31/25 & 3/31/24

	Jan - Mar 25	Jan - Mar 24
Other Expense		
9675.00 · Mortgage interest	34,622.79	35,522.20
9676.00 · Interest expense loan fees	2,249.35	2,076.97
9711.00 · Depreciation - bldgs & improvem	37,609.00	36,366.00
9712.00 · Depreciation - Vlg equipment	133.00	133.00
9715.00 · Amortization	513.00	513.00
9730.00 · Vlg property taxes	38,753.44	3,601.12
Total Other Expense	113,880.58	78,212.29
Net Other Income	(113,880.58)	(78,212.29)
Net Income	**(13,962.03)**	**(56,537.00)**

See accountants' disclaimer report.

Bethel Lutheran Home, Inc.
Supplemental Info for the Five Quarters Trailing 3/31/25
Skilled Nursing & Residential Care

	Jan - Mar 24	Apr - Jun 24	Jul - Sep 24	Oct - Dec 24	Jan - Mar 25
Ordinary Income/Expense					
Income					
3100.05 · Skilled nursing - MediCal	914,670.15	956,182.58	832,966.75	996,807.49	683,444.24
3100.07 · C/A - MediCal	(23,841.36)	(53,571.80)	(65,209.98)	(62,916.43)	(260,173.61)
3100.10 · Skilled nursing - private	150,908.66	185,642.33	253,645.00	194,070.08	125,102.86
3100.30 · Skilled nursing - patient liab	121,350.86	84,923.00	175,384.17	102,745.68	136,737.35
3100.60 · Contractural Allow - Mdg care	19,760.67	3,264.21	8,010.88	(161.42)	0.00
3200.00 · Room & Board - Medicare A	149,290.00	100,342.66	66,697.55	41,038.83	100,186.12
3200.05 · Contractual Allow-Med A R & B	185,869.74	105,639.28	75,576.69	62,344.46	127,328.52
3200.10 · Contractual Allow-Med A Ancill	(93,623.72)	(54,867.84)	(38,642.04)	(13,321.32)	(45,711.95)
3200.40 · Contractual Allow - Med B	(31,290.28)	(29,545.19)	(13,143.78)	(21,395.11)	(23,795.61)
3600.00 · Hospice inpatient care	143,204.43	204,191.86	270,318.73	268,516.17	200,906.09
4000.20 · OT Medicaid	994.53	(2,312.23)	0.00	135.38	0.00
4000.30 · OT Medicare A	36,886.29	22,525.76	13,911.53	4,951.89	14,981.31
4000.40 · OT Medicare B	61,559.39	44,231.95	18,824.45	39,642.94	35,683.22
4000.60 · OT managed care	7,319.04	4,877.68	1,272.93	7,544.67	0.00
4010.20 · PT Medicaid	2,804.98	(1,917.90)	0.00	135.31	0.00
4010.30 · PT Medicare A	38,187.53	24,932.76	14,016.73	5,129.77	18,615.14
4010.40 · PT Medicare B	52,628.18	45,236.05	21,098.17	42,604.19	32,097.83
4010.60 · PT Managed care	7,701.20	4,477.64	1,424.45	7,830.19	0.00
4020.10 · Speech - private pay	0.00	0.00	0.00	0.00	89.62
4020.20 · Speech Medicaid	(895.80)	0.00	0.00	0.00	0.00
4020.30 · Speech Medicare A	1,865.90	1,928.04	627.04	179.19	1,776.29
4020.40 · Speech Medicare B	3,675.87	735.22	179.24	2,440.45	(8.92)
4020.60 · Speech managed care	2,618.72	0.00	0.00	89.62	0.00
4060.40 · Drug Rev Med A	13,339.66	2,630.25	8,653.37	2,576.74	7,442.17
4060.60 · Drug rev managed care	4,592.03	0.00	754.53	1,178.99	0.00
4080.30 · X-Ray - Medicare A	1,475.41	771.52	375.73	0.00	1,325.85
4090.30 · Lab revenue-Medicare A	1,889.79	2,079.51	1,057.64	483.73	1,571.19
4090.60 · Lab revenue - managed care	238.77	0.00	0.00	1,038.69	0.00
4200.00 · Noncovered services	(13,378.99)	(18,592.79)	(2,752.00)	(4,313.00)	(4,095.00)
5770.00 · Non-patient food revenue	0.00	0.00	0.00	440.00	60.00
5800.00 · Rebates & refunds on expenses	493.09	0.00	284.82	279.65	0.00
5990.00 · Other operating revenue	11,430.07	113,292.14	57,886.91	5,514.00	68,672.79
9105.08 · Interest income - late rent	0.30	776.04	994.71	1,238.49	210.49
9108.05 · Residential care - SSI	3,972.00	3,972.00	3,972.00	3,972.00	3,972.00
9108.10 · Residential care - private	105,798.45	104,010.23	96,885.93	71,956.24	82,605.30
9108.20 · Processing fees	2,600.00	1,350.00	342.41	600.00	1,100.00
Total Income	1,884,095.56	1,857,204.96	1,805,414.56	1,763,377.56	1,310,123.29
Expense					
6110.00 · Nursing expenses					
6110.01 · Nursing salaries - supervisors	30,280.02	30,220.02	30,280.02	31,019.31	30,250.02
6110.12 · Nursing salaries - RN's	49,694.85	59,228.41	64,252.43	67,195.31	78,159.59

Bethel Lutheran Home, Inc.
Supplemental Info for the Five Quarters Trailing 3/31/25
Skilled Nursing & Residential Care

	Jan - Mar 24	Apr - Jun 24	Jul - Sep 24	Oct - Dec 24	Jan - Mar 25
6110.13 · Nursing salaries - LVN's	187,416.78	184,622.58	201,022.72	184,392.16	149,983.21
6110.14 · Nursing salaries - aids & techs	267,125.33	288,524.57	314,637.54	282,720.10	282,272.21
6110.15 · Nursing salaries - assistants	0.00	0.00	0.00	0.00	6,034.60
6110.21 · Employer portion - FICA	38,146.75	37,702.81	42,578.06	33,185.22	44,051.70
6110.22 · State unemployment taxes	13,674.00	13,408.40	13,836.28	19,347.77	12,330.63
6110.25 · Group health insurance	16,515.08	16,659.71	25,382.09	24,777.15	19,030.22
6110.27 · Workman's comp insurance	38,947.56	38,554.85	39,168.11	30,399.18	29,245.75
6110.41 · Medical director fees	3,000.00	3,000.00	3,000.00	3,000.00	3,000.00
6110.53 · Pharmacy expense	22,474.19	9,232.25	16,371.76	9,274.51	21,008.85
6110.54 · Medical supplies	6,549.42	8,772.09	8,666.48	10,908.17	5,740.57
6110.60 · Other medical supplies	0.00	0.00	0.00	1,533.00	0.00
6110.69 · Non-medical supplies	36,723.63	48,802.92	37,294.24	29,465.65	23,697.94
6110.85 · Consulting	1,927.85	12,755.30	15,795.45	18,775.55	3,908.85
6110.88 · Continuuing education	1,291.50	3,255.58	747.57	2,637.40	1,263.99
6110.89 · Contracted therapy service exp	167,025.32	146,182.97	83,598.59	84,384.57	91,013.54
6110.90 · Nursing supplies - COVID	764.42	261.81	3,742.63	0.00	2,393.79
Total 6110.00 · Nursing expenses	881,556.70	901,184.27	900,373.97	833,015.05	803,385.46
6200.00 · Plant expenses					
6200.19 · Salaries - plant operation	28,472.45	30,224.92	33,664.39	35,017.33	33,785.17
6200.21 · Plant employer portion - FICA	1,977.09	1,942.63	2,381.13	2,249.29	2,981.82
6200.22 · Plant state unemployment taxes	20.13	0.00	0.00	0.00	834.65
6200.25 · Plant group health insurance	1,320.90	1,259.38	1,042.55	1,147.39	867.89
6200.27 · Plant w/c insurance	2,018.59	1,986.53	2,190.43	2,060.45	1,979.62
6200.69 · Plant supplies	11,039.98	6,198.19	8,680.25	9,843.66	4,457.36
6200.72 · Repairs & maintenance	52,231.70	51,537.75	98,971.97	55,213.75	33,604.14
6200.82 · Utilities	83,362.96	98,524.17	117,234.96	94,142.23	71,700.90
Total 6200.00 · Plant expenses	180,443.80	191,673.57	264,165.68	199,674.10	150,211.55
6300.00 · Housekeeping expenses					
6300.19 · Salaries - housekeeping	84,806.57	83,650.80	87,081.16	81,196.49	81,307.56
6300.21 · Housekeeping employer ptn-FICA	6,099.88	5,597.12	6,170.92	4,758.26	6,508.31
6300.22 · Housekeeping state unemploy tax	62.11	0.00	0.00	0.00	1,821.76
6300.25 · Housekeeping group health ins	1,611.04	1,559.40	2,394.43	2,645.36	2,003.95
6300.27 · Housekeeping W/C	6,227.93	5,723.61	5,676.71	4,358.79	4,320.84
6300.69 · Housekeeping supplies	10,234.22	21,649.42	15,262.64	17,072.02	10,822.78
6400.69 · Linen supplies	23,777.20	(21.55)	4,427.99	2,524.16	2,514.86
6400.72 · Laundry & linen purchases	2,368.48	0.00	0.00	0.00	0.00
Total 6300.00 · Housekeeping expenses	135,187.43	118,158.80	121,013.85	112,555.08	109,300.06
6500.00 · Dietary expenses					
6500.19 · Salaries - dietary	112,928.50	114,162.69	116,732.46	111,419.64	101,150.94
6500.21 · Dietary employer portion - FICA	16,147.26	15,201.33	16,581.26	13,170.89	16,066.34
6500.22 · Dietary state unemployment tax	164.41	0.00	0.00	0.00	4,497.17
6500.25 · Dietary group health insurance	4,504.80	4,279.45	6,599.00	6,355.24	4,812.41
6500.27 · Dietary W/C insurance	8,243.12	7,772.43	7,626.66	6,032.57	5,333.19

Bethel Lutheran Home, Inc.
Supplemental Info for the Five Quarters Trailing 3/31/25
Skilled Nursing & Residential Care

	Jan - Mar 24	Apr - Jun 24	Jul - Sep 24	Oct - Dec 24	Jan - Mar 25
6500.46 · Dietician	8,775.00	4,095.00	2,795.00	4,842.50	4,143.75
6500.55 · Food costs	56,061.48	69,374.82	66,161.57	73,095.94	51,225.65
6500.69 · Non-food supplies	9,116.81	12,307.63	12,810.31	13,410.98	10,777.57
Total 6500.00 · Dietary expenses	215,941.38	227,193.35	229,306.26	228,327.76	198,007.02
6700.00 · Activity expenses					
6700.03 · Social coordinator	12,078.67	11,346.88	13,797.50	14,917.85	15,424.53
6700.04 · Salaries - activities director	11,799.63	13,644.63	9,688.34	4,092.15	10,317.00
6700.19 · Salaries - activities	30,589.65	21,889.63	16,781.92	22,050.22	30,617.51
6700.21 · Activities employer ptn - FICA	3,832.23	3,299.88	2,725.44	2,864.80	4,386.02
6700.22 · Activities state UI taxes	39.02	0.00	0.00	0.00	1,227.70
6700.25 · Activities group health ins	1,385.80	1,324.23	2,039.27	8,038.07	6,221.51
6700.27 · Activities W/C insurance	3,912.68	3,374.45	2,507.17	2,624.29	2,911.86
6700.69 · Activity expense & supplies	1,185.84	1,195.74	574.57	673.75	1,250.22
Total 6700.00 · Activity expenses	64,823.52	56,075.44	48,114.21	55,261.13	72,356.35
6800.00 · Insvc & orientation expenses					
6800.19 · Salaries - Insvc & orientation	15,735.30	17,328.90	15,689.70	16,942.16	18,729.76
6800.21 · Insvc employer portion FICA	1,112.16	1,178.66	1,296.24	855.28	1,445.51
6800.22 · Insvc state unemployment taxes	11.32	0.00	0.00	0.00	404.62
6800.25 · Insvc group health insurance	125.98	(40.70)	0.00	0.00	0.00
6800.27 · Inservice W/C insurance	1,135.51	1,205.29	1,192.43	783.48	959.67
6800.69 · Insvc & orientation supplies	0.00	0.00	205.02	0.00	0.00
Total 6800.00 · Insvc & orientation expenses	18,120.27	19,672.15	18,383.39	18,580.92	21,539.56
6900.00 · Administrative expenses					
6900.01 · Salaries - administrator	69,341.03	42,921.98	42,599.23	42,113.39	42,033.38
6900.18 · Salaries - other administrative	107,346.48	118,330.67	114,255.26	115,118.44	114,982.59
6900.21 · Admin employer portion FICA	11,870.55	11,115.55	11,023.12	8,937.75	12,294.06
6900.22 · Admin state unemployment taxes	120.86	0.00	0.00	0.00	3,441.26
6900.25 · Admin group health ins	6,268.55	6,996.05	10,385.41	11,741.58	8,976.33
6900.27 · Admin W/C insurance	5,473.55	3,677.16	3,378.37	2,612.42	2,545.29
6900.47 · Legal fees	1,644.00	1,480.00	0.00	6,121.58	31,136.48
6900.48 · Accounting fees	15,995.00	21,290.00	(7,450.00)	12,470.00	5,601.00
6900.49 · Other professional fees	67,898.33	42,048.33	34,914.94	30,730.23	29,719.89
6900.50 · Administrative consultant	2,400.00	0.00	0.00	3,600.00	750.00
6900.58 · Office expense & supplies	11,577.94	9,331.80	11,290.25	10,936.07	9,393.87
6900.59 · Ads for employees	900.00	1,100.00	1,200.00	800.00	1,200.00
6900.81 · Auto, travel & conventions	2,084.51	3,099.21	1,867.64	679.47	1,033.53
6900.87 · Dues & subscriptions	100.00	1,703.16	6,431.37	1,153.47	1,215.41
6900.89 · Taxes & licenses	16,702.25	17,957.26	16,459.25	16,975.91	18,142.79
6900.90 · General insurance	57,746.33	79,135.23	61,781.03	108,028.33	54,649.98
6900.96 · HR costs leasing	0.00	0.00	46.33	0.00	0.00
6900.97 · Bad debt expense	0.00	0.00	0.00	178,207.64	0.00
6900.98 · Telephone	4,055.75	5,377.12	17,111.04	7,228.00	12,605.60
6900.99 · Miscellaneous expense	6,183.15	0.00	39,669.79	6,184.84	33,429.16

Bethel Lutheran Home, Inc.
Supplemental Info for the Five Quarters Trailing 3/31/25
Skilled Nursing & Residential Care

	Jan - Mar 24	Apr - Jun 24	Jul - Sep 24	Oct - Dec 24	Jan - Mar 25
6909.10 · Staff appreciation	1,086.15	2,179.61	65.07	1,753.49	600.00
6909.50 · Postage	1,068.46	1,224.25	457.58	935.27	1,014.53
6909.95 · Interest expense - SBA loan	13,712.32	15,307.71	14,660.16	13,767.03	14,552.92
6909.96 · Payroll billings	4,023.93	3,560.01	2,807.36	4,950.92	8,558.45
6909.97 · Interest expense	1.36	190.00	0.00	470.90	1,347.15
6909.98 · Bank charges	471.64	486.72	303.25	578.05	554.80
6910.49 · Data processing fees	241.43	1,168.94	355.97	82.50	35.00
8901.00 · Haircuts	3,756.00	3,676.00	3,762.00	3,150.00	2,120.00
8910.00 · Quality assurance fees	95,167.33	80,734.37	94,225.89	100,109.21	92,971.01
Total 6900.00 · Administrative expenses	507,236.90	474,091.13	481,600.31	689,436.49	504,904.48
9109.00 · Residential nurses					
9109.19 · Salaries - residential care	61,596.21	63,753.27	62,579.29	63,757.90	73,271.87
9109.21 · Residential ER portion FICA	4,375.92	4,307.00	4,448.97	3,694.88	6,671.81
9109.22 · Residential state UI taxes	44.55	0.00	0.00	0.00	1,867.52
9109.25 · Residential group health ins	881.87	856.00	1,311.78	1,440.61	1,092.18
9109.27 · Residential W/C insurance	6,972.94	6,873.90	6,387.48	5,229.71	6,843.90
Total 9109.00 · Residential nurses	73,871.49	75,790.17	74,727.52	74,123.10	89,747.28
Total Expense	2,077,181.49	2,063,838.88	2,137,685.19	2,210,973.63	1,949,451.76
Net Ordinary Income	(193,085.93)	(206,633.92)	(332,270.63)	(447,596.07)	(639,328.47)
Other Income/Expense					
Other Income					
3820.00 · Employee retention credit	347,493.69	0.00	0.00	0.00	0.00
3825.00 · Hiring incentives fee	(52,124.05)	0.00	0.00	0.00	0.00
9103.00 · Unrestricted contributions	8,475.88	2,933.77	581.00	6,396.85	17,388.78
9105.01 · Interest income	65,919.64	0.00	0.00	2.28	0.00
9105.02 · Dividend income	14,390.44	5,864.44	5,134.28	3,281.21	683.92
9105.04 · Unrealized gain/loss	(3,042.01)	6.00	262.50	117.10	(49.00)
Total Other Income	381,113.59	8,804.21	5,977.78	9,797.44	18,023.70
Other Expense					
6909.99 · Account fees	0.96	0.64	0.31	0.00	0.00
6910.00 · Prior year W/C audit expense	107,109.00	0.00	0.00	0.00	0.00
7110.00 · Depreciation - bldgs & improve	18,060.00	18,322.00	18,282.00	18,677.00	22,267.00
7120.00 · Depreciation - equipment	9,371.00	9,436.00	9,559.00	9,813.00	9,796.00
7140.00 · Depreciation - furniture & fixt	630.00	612.00	893.00	656.00	605.00
7150.00 · Depreciation - auto	453.00	453.00	453.00	453.00	453.00
7300.00 · Property taxes	3,661.09	4,095.33	3,661.09	23,236.80	26,168.61
Total Other Expense	139,285.05	32,918.97	32,848.40	52,835.80	59,289.61
Net Other Income	241,828.54	(24,114.76)	(26,870.62)	(43,038.36)	(41,265.91)
	48,742.61	**(230,748.68)**	**(359,141.25)**	**(490,634.43)**	**(680,594.38)**

Bethel Lutheran Home, Inc.
Supplemental Info for the Five Quarters Trailing 3/31/25
The Village

	Jan - Mar 24	Apr - Jun 24	Jul - Sep 24	Oct - Dec 24	Jan - Mar 25
Ordinary Income/Expense					
Income					
9500.01 · Village rents	215,645.35	233,125.67	266,285.42	283,721.17	284,208.56
9500.09 · Processing fees - Village	0.00	0.00	500.00	0.00	0.00
9551.01 · Meal tickets	410.00	370.00	1,485.00	1,535.00	1,440.00
9580.00 · Misc charges - Village	270.52	557.71	366.00	754.00	130.00
Total Income	216,325.87	234,053.38	268,636.42	286,010.17	285,778.56
Expense					
9620.00 · Vlg plant expenses					
9620.19 · Plant salaries	9,449.69	8,683.28	10,025.10	5,339.40	7,129.53
9620.21 · Vlg plant employer portion FICA	744.95	592.71	702.40	350.68	552.08
9620.22 · Plant state UI taxes	7.58	0.00	0.00	0.00	154.53
9620.25 · Vlg plant group health ins	0.00	5.05	5.73	0.00	0.00
9620.27 · Vlg plant W/C insurance	824.42	656.97	700.38	317.61	362.39
9620.69 · Vlg plant supplies	2,209.43	1,022.73	2,106.31	844.96	623.82
9620.72 · Vlg repairs & maintenance	13,977.57	24,182.48	27,837.16	26,997.15	15,060.22
9620.82 · Vlg utilities	19,291.66	17,402.37	25,956.62	19,204.55	20,968.04
Total 9620.00 · Vlg plant expenses	46,505.30	52,545.59	67,333.70	53,054.35	44,850.61
9630.00 · Vlg housekeeping expense					
9630.19 · Vlg housekeeping salaries	20,325.62	17,087.83	20,215.55	18,300.19	22,206.73
9630.21 · Vlg housekpng ER portion FICA	1,205.87	1,355.33	1,399.12	1,016.29	1,406.36
9630.22 · Vlg housekeeping state UI taxes	12.28	0.00	0.00	0.00	393.66
9630.25 · Vlg housekeeping grp health ins	2,584.54	2,421.13	3,763.49	4,238.95	3,208.27
9630.27 · Vlg housekeeping W/C ins	1,334.51	1,502.28	1,395.09	920.47	923.15
9630.69 · Vlg housekeeping supplies	817.69	916.44	512.72	958.62	337.30
Total 9630.00 · Vlg housekeeping expense	26,280.51	23,283.01	27,285.97	25,434.52	28,475.47
9650.00 · Vlg dietary expense					
9650.19 · Vlg dietary salaries	40,481.88	39,379.57	47,160.88	41,439.83	44,420.64
9650.21 · Vlg dietary ER portion FICA	2,708.63	2,781.10	3,200.63	2,712.95	3,640.95
9650.22 · Vlg dietary state UI taxes	27.58	0.00	0.00	0.00	1,019.15
9650.25 · Vlg dietary group health ins	1,649.22	1,567.26	2,417.34	1,185.63	897.15
9650.27 · Vlg dietary W/C insurance	2,997.60	3,082.64	3,191.42	2,457.16	2,389.95
9650.55 · Village dietary - food	27,154.13	22,363.74	22,598.29	26,628.11	19,667.17
9650.69 · Village dietary - supplies	2,585.15	2,557.34	1,377.43	2,313.50	2,564.83
Total 9650.00 · Vlg dietary expense	77,604.19	71,731.65	79,945.99	76,737.18	74,599.84
9670.00 · Vlg caregiver					
9670.19 · Vlg caregiver salaries	14,994.90	18,685.72	2,803.33	(8,213.10)	0.00
9670.21 · Vlg caregiver ER portion FICA	1,038.37	1,458.49	0.00	0.00	0.00
9670.22 · Vlg caregiver state UI taxes	10.57	0.00	0.00	0.00	0.00
9670.25 · Vlg caregiver group health ins	0.00	562.62	(541.06)	0.00	0.00
9670.27 · Vlg caregiver W/C insurance	1,149.15	0.00	1,616.63	0.00	0.00
Total 9670.00 · Vlg caregiver	17,192.99	20,706.83	3,878.90	(8,213.10)	0.00
9690.00 · Vlg administrative expense					

Bethel Lutheran Home, Inc.
Supplemental Info for the Five Quarters Trailing 3/31/25
The Village

	Jan - Mar 24	Apr - Jun 24	Jul - Sep 24	Oct - Dec 24	Jan - Mar 25
9670.69 · Vlg activities expense	438.31	131.25	65.97	216.68	51.60
9690.17 · Vlg administrative salaries	11,289.73	8,208.78	17,476.33	26,971.20	17,337.47
9690.21 · Vlg admin ER portion FICA	782.93	498.48	1,426.61	1,000.86	1,321.41
9690.22 · Vlg admin state UI taxes	7.99	0.00	0.00	0.00	369.89
9690.25 · Vlg admin group health ins	1,328.55	1,251.84	1,930.44	2,173.66	1,648.01
9690.27 · Vlg admin W/C insurance	866.45	1,616.63	358.37	886.87	867.39
9690.48 · Vlg accounting fees	0.00	0.00	7,450.00	0.00	0.00
9690.69 · Vlg administrative supplies	0.00	0.00	0.00	0.00	42.95
9690.70 · Marketing supplies	1,980.13	830.79	6.88	75.00	171.38
9690.81 · Vlg auto, travel & conventions	0.00	2,340.00	0.00	198.00	0.00
9690.89 · Village taxes & licenses	0.00	157.00	0.00	0.00	594.00
9690.90 · Vlg general insurance	10,317.75	15,017.14	9,366.85	0.00	13,029.99
9690.98 · Vlg telephone	0.00	357.82	0.00	0.00	0.00
9690.99 · Vlg miscellaneous expense	55.75	0.00	1,848.53	0.00	2,500.00
Total 9690.00 · Vlg administrative expense	27,067.59	30,409.73	39,929.98	31,522.27	37,934.09
Total Expense	194,650.58	198,676.81	218,374.54	178,535.22	185,860.01
Net Ordinary Income	21,675.29	35,376.57	50,261.88	107,474.95	99,918.55
Other Income/Expense					
Other Expense					
9675.00 · Mortgage interest	35,522.20	35,303.19	35,080.33	34,853.55	34,622.79
9676.00 · Interest expense loan fees	2,076.97	2,127.78	2,161.44	2,204.97	2,249.35
9711.00 · Depreciation - bldgs & improvem	36,366.00	36,767.00	39,725.00	36,748.00	37,609.00
9712.00 · Depreciation - Vlg equipment	133.00	133.00	133.00	134.00	133.00
9715.00 · Amortization	513.00	513.00	513.00	495.00	513.00
9730.00 · Vlg property taxes	3,601.12	4,331.35	3,601.12	35,152.32	38,753.44
Total Other Expense	78,212.29	79,175.32	81,213.89	109,587.84	113,880.58
Net Other Income	(78,212.29)	(79,175.32)	(81,213.89)	(109,587.84)	(113,880.58)
	(56,537.00)	**(43,798.75)**	**(30,952.01)**	**(2,112.89)**	**(13,962.03)**

Bethel Lutheran Home, Inc.
Patient Day Census
For the Three Months Ended March 31, 2025

	Possible Nursing Days	Actual Nursing Days	Lost Days
January	1,829	1,651	178
February	1,652	1,490	162
March	1,829	1,600	229
	5,310	4,741	569
Percentage	100.00%	89.28%	10.72%

	Private Days	MediCal Days	Hospice Days	Medicare Days	Total Days
January	136	1,065	359	91	1,651
February	111	987	298	94	1,490
March	111	1,031	344	114	1,600
	358	3,083	1,001	299	4,741
Percentage	7.55%	65.03%	21.11%	6.31%	100%
Rates:	$320.00	$282.66	$282.66		

Bethel Lutheran Home, Inc.
Allocation of Revenues and Expenses
Between Skilled Nursing and Residential Care
For the Three Months Ended March 31, 2025

		PAT & RES DAYS	SKILLED NURSING	4,741 $ PAT DAYS	RESIDENT CARE	1,033 $ RES DAYS	
REVENUE							
Skilled Nursing Care	$ 1,153,503	4,741	1,153,503	243.30			
Community Care - private	82,605	943			$ 82,605	87.60	
Community Care - SSI	3,972	90			3,972	44.13	
Other operating revenues	70,043		68,943	14.54	1,100	1.06	
	1,310,123	5,774	1,222,446	257.85	87,677	84.88	
NURSING							
Nursing salaries - supervisors	30,250		30,250	6.38			Allocation
Nursing salaries - RN's	78,160		78,160	16.49			based on
Nursing salaries - LVN's	149,983		149,983	31.64			actual
Nursing salaries - aides & tech	361,578		288,307	60.81	73,271	70.93	
Employee benefits - payroll taxes	64,921		56,382	11.89	8,539	8.27	
Group health insurance	20,122		19,030	4.01	1,092	1.06	
Workmen's compensation insuranc	36,090		29,246	6.17	6,844	6.63	
Medical directors fees	3,000		3,000	0.63		0.00	
Medical records consultant	0		0	0.00			
Pharmaceutical consultant	0		0	0.00			
Pharmacy expense	21,009		21,009	4.43			
Medical supplies	8,135		8,135	1.72			
Non-medical supplies	23,698		23,698	5.00			
Medical personnel pools	0		0	0.00			
Consulting	3,909		3,909	0.82			
Medicare settlement/penalties	0		0	0.00			
Continuing education	1,264		1,264	0.27			
Contracted therapy service exp	91,014		91,014	19.20			
	893,133	5,774	803,387	169.46	89,746	86.88	
PLANT OPERATIONS							
Plant operations - Salaries	33,785		20,947	4.42	12,838	12.43	Allocation
Employee benefits - payroll taxes	3,816		2,366	0.50	1,450	1.40	based on
Group health insurance	868		538	0.11	330	0.32	sq. ft.
Workman's compensation insuranc	1,980		1,228	0.26	752	0.73	62% Health Care
Supplies	4,457		2,763	0.58	1,694	1.64	38% Residential
Repairs and maintenance	33,604		20,834	4.39	12,770	12.36	
Utilities	71,701		44,455	9.38	27,246	26.38	
	150,211	5,774	93,131	19.64	57,080	55.26	

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Bethel Lutheran Home, Inc.
Allocation of Revenues and Expenses
Between Skilled Nursing and Residential Care
For the Three Months Ended March 31, 2025

		PAT & RES DAYS	SKILLED NURSING	4,741 $ PAT DAYS	RESIDENT CARE	1,033 $ RES DAYS	
HOUSEKEEPING							
Housekeeping - Salaries	81,307		67,485	14.23	13,822	13.38	Allocations:
Employee benefits - payroll taxes	8,330		6,914	1.46	1,416	1.37	83% Health Care
Group health insurance	2,004		1,663	0.35	341	0.33	17% Residential
Workman's compensation insurance	4,321		3,586	0.76	735	0.71	Laundry only:
Housekeeping consultant	0		0	0.00	0	0.00	
Supplies	10,823		8,983	1.89	1,840	1.78	86% Health Care
Laundry & linen	2,515		2,163	0.46	352	0.34	14% Residential
	109,300	5,774	90,794	19.15	18,506	17.91	
DIETARY SERVICES							
Dietary Salaries	101,151		83,055	17.52	18,096	17.52	Allocation
Employee benefits - payroll taxes	20,563		16,884	3.56	3,679	3.56	based on
Group health insurance	4,812		3,951	0.83	861	0.83	Patient/Resident
Workman's compensation insurance	5,333		4,379	0.92	954	0.92	
Dietician	4,144		3,403	0.72	741	0.72	
Food	51,226		42,061	8.87	9,165	8.87	
Non-food supplies	10,778		8,850	1.87	1,928	1.87	
	198,007	5,774	162,582	34.29	35,425	34.29	
ACTIVITY SERVICES							
Salaries - activity director	10,317		8,471	1.79	1,846	1.79	
Salaries - social coordinator	15,424		12,665	2.67	2,759	2.67	
Salaries - activities	30,617		25,139	5.30	5,478	5.30	Allocation
Employee benefits - payroll taxes	5,614		4,610	0.97	1,004	0.97	based on
Group health insurance	6,222		5,109	1.08	1,113	1.08	Patient/Resident
Workman's compensation insurance	2,912		2,391	0.50	521	0.50	
Activities & other miscellaneous expenses	1,250		1,026	0.22	224	0.22	
	72,356	5,774	59,411	12.53	12,945	12.53	
INSERVICE EDUCATION SERVICES							
Inservice & orientation salaries	18,730		15,379	3.24	3,351	3.24	Allocation
Employee benefits - payroll taxes	1,850		1,519	0.32	331	0.32	based on
Group health insurance	0		0	0.00	0	0.00	Patient/Resident
Workman's compensation insurance	960		788	0.17	172	0.17	
Inservice and orientation supplies	0		0	0.00	0	0.00	
	21,540	5,774	17,686	3.73	3,854	3.73	

See accountant's disclaimer report.

Bethel Lutheran Home, Inc.
Allocation of Revenues and Expenses
Between Skilled Nursing and Residential Care
For the Three Months Ended March 31, 2025

		PAT & RES DAYS	SKILLED NURSING	4,741 $ PAT DAYS	RESIDENT CARE	1,033 $ RES DAYS	
Salaries - administrator	42,033		34,513	7.28	7,520	7.28	Allocation
Salaries - other administrative	114,983		94,412	19.91	20,571	19.91	based on
Employee benefits - payroll taxes	15,735		12,920	2.73	2,815	2.73	Patient/Resident
Group health insurance	8,976		7,370	1.55	1,606	1.55	
Workman's compensation insurance	2,545		2,090	0.44	455	0.44	
Professional fees - accounting	5,601		4,599	0.97	1,002	0.97	
Professional fees - legal & other	60,856		49,969	10.54	10,887	10.54	
Administrative consultant	750		616	0.13	134	0.13	
Office expense	9,394		7,713	1.63	1,681	1.63	
Medical examinations	0		0	0.00	0	0.00	
Auto, travel & conventions	1,034		849	0.18	185	0.18	
Dues and subscriptions	1,215		998	0.21	217	0.21	
Taxes and licenses	18,143		14,897	3.14	3,246	3.14	
General insurance	54,650		44,873	9.46	9,777	9.46	
Advertising	1,200		985	0.21	215	0.21	
Bad debt expense			0	0.00	0	0.00	
Telephone	12,606		10,351	2.18	2,255	2.18	
Interest expense	15,900		13,055	2.75	2,845	2.75	
Data processing fees	35		29	0.01	6	0.01	
Quality assurance fees	92,971		92,971	19.61		0.00	
Miscellaneous	46,277		37,998	8.01	8,279	8.01	
	504,904	5,774	431,207	90.95	73,697	71.34	
OTHER EXPENSES							
Depreciation	33,121		20,535	4.33	12,586	12.18	Based on sq ft
Property taxes	26,169		16,225	3.42	9,944	9.63	Based on sq ft
	59,290	5,774	36,760	7.75	22,530	21.81	
TOTAL COSTS AND EXPENSES	2,008,741	5,774	1,694,959	357.51	313,782	303.76	
NET INCOME (LOSS)	(698,618)	5,774	(472,513)	(99.67)	(226,105)	(218.88)	
NON OPERATING REVENUES							
Contributions - unrestricted	17,389						
Interest, dividends and capital gains	684						
Sale of stock	0						
Unrealized gain/loss	(49)						
Total non-operating revenues	18,024						
Revenue over (under) expenses	$ (680,594)						

See accountant's disclaimer report.

Bethel Lutheran Home, Inc.
Revenue and Expense by Resident Day
For the Eight Quarters Trailing March 31, 2025

	at June 30	at Sept 30	at Dec 31	at March 31	at June 30	at Sept 30	at Dec 31	at March 31
REVENUE								
Skilled Nursing Care	312.64	316.93	328.25	357.68	345.23	337.53	335.36	243.30
Other operating revenues	0.83	0.83	1.03	2.42	12.82	12.40	9.62	14.54
	313.47	316.43	329.28	360.11	358.05	349.93	344.98	257.85
NURSING								
Nursing salaries - supervisors	5.38	5.40	5.63	6.15	6.15	6.08	6.08	6.38
Nursing salaries - RN's	7.93	10.07	10.35	10.10	11.08	11.60	12.00	16.49
Nursing salaries - LVN's	39.05	39.21	39.94	38.09	37.85	38.39	37.81	31.64
Nursing salaries - aides & tech	54.41	54.93	56.46	54.29	56.53	58.30	57.56	60.81
Employee benefits - payroll taxes	7.73	8.00	8.14	10.53	10.47	10.67	10.58	11.89
Group health insurance	5.83	5.48	5.60	3.36	3.37	3.92	4.16	4.01
Workman's compensation insurance	5.74	4.98	5.72	7.92	7.88	7.82	7.34	6.17
Medical directors fees	0.41	0.55	0.62	0.61	0.61	0.60	0.60	0.63
Medical records consultant	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Pharmaceutical consultant	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Pharmacy expense	1.94	2.23	3.31	4.57	3.23	3.22	2.86	4.43
Medical supplies	1.99	2.33	2.01	1.49	1.66	1.93	1.98	1.72
Non-medical supplies	8.35	8.53	9.77	7.46	8.70	8.23	7.68	5.00
Medical personnel pools	2.50	1.85	1.39	0.00	0.00	0.00	0.00	0.00
Consulting	2.42	2.20	1.68	0.39	1.49	2.04	2.46	0.82
Medicare settlement/penalties		0.05	0.03	0.00	0.00	0.00	0.00	0.00
Continuuing education	0.57	0.52	0.55	0.26	0.46	0.35	0.40	0.27
Contracted therapy service exp	3.58	4.26	12.06	33.95	31.86	26.58	24.02	19.20
	147.82	150.58	163.27	179.18	181.36	179.74	175.52	169.46
PLANT OPERATIONS								
Plant operations - Salaries	3.39	3.89	4.01	3.59	3.70	3.84	3.94	4.42
Employee benefits - payroll taxes	0.23	0.26	0.27	0.25	0.25	0.26	0.27	0.50
Group health insurance	0.21	0.21	0.22	0.17	0.16	0.15	0.15	0.11
Workman's compensation insurance	0.18	0.18	0.21	0.25	0.25	0.26	0.26	0.26
Supplies	0.71	0.85	0.80	1.39	1.09	1.08	1.11	0.58
Repairs and maintenance	5.71	7.03	6.99	6.58	6.54	8.42	7.98	4.39
Utilities	8.20	9.77	9.70	10.51	11.47	12.42	12.17	9.38
	18.63	22.19	22.19	22.74	23.47	26.43	25.87	19.64

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See accountant's disclaimer report.

Bethel Lutheran Home, Inc.
Revenue and Expense by Resident Day
For the Eight Quarters Trailing March 31, 2025

	at June 30	at Sept 30	at Dec 31	at March 31	at June 30	at Sept 30	at Dec 31	at March 31
HOUSEKEEPING								
Housekeeping - Salaries	10.15	10.75	11.75	14.31	14.22	14.21	13.95	14.23
Employee benefits - payroll taxes	0.68	0.73	0.76	1.04	0.99	1.00	0.94	1.46
Group health insurance	0.53	0.53	0.55	0.27	0.27	0.31	0.34	0.35
Workman's compensation insurance	0.54	0.48	0.59	1.05	1.01	0.98	0.91	0.76
Housekeeping consultant	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Supplies	1.27	1.53	1.56	1.73	2.69	2.62	2.66	1.89
Laundry	0.17	0.41	0.62	4.57	2.29	1.76	1.42	0.46
	13.35	14.43	15.84	22.97	21.47	20.88	20.22	19.15
DIETARY SERVICES								
Dietary Salaries	13.98	14.60	15.57	18.09	18.13	18.20	18.22	17.52
Employee benefits - payroll taxes	1.83	2.00	2.06	2.61	2.52	2.55	2.45	3.56
Group health insurance	0.88	0.84	0.87	0.72	0.70	0.81	0.87	0.83
Workman's compensation insurance	0.74	0.65	0.79	1.32	1.28	1.25	1.19	0.92
Dietician	0.53	0.59	0.62	1.41	1.03	0.83	0.82	0.72
Food	9.14	9.19	9.44	8.98	10.01	10.14	10.59	8.87
Non-food supplies	1.46	1.51	1.65	1.46	1.71	1.81	1.91	1.87
	28.56	29.38	30.99	34.59	35.37	35.59	36.05	34.29
ACTIVITY SERVICES								
Salaries - activity director	1.88	2.08	2.23	1.89	2.03	1.86	1.57	1.79
Salaries - social coordinator	2.03	1.95	2.02	1.93	1.87	1.97	2.09	2.67
Salaries - activities	3.92	4.07	4.37	4.90	4.19	3.67	3.65	5.30
Employee benefits - payroll taxes	0.50	0.55	0.55	0.62	0.57	0.52	0.51	0.97
Group health insurance	0.12	0.12	0.12	0.22	0.22	0.25	0.51	1.08
Workman's compensation insurance	0.40	0.36	0.42	0.63	0.58	0.52	0.50	0.50
Activities & other misc expenses	0.09	0.19	0.19	0.19	0.19	0.16	0.15	0.22
	8.95	9.33	9.90	10.38	9.65	8.94	8.98	12.53
INSERVICE EDUCATION SERVICES								
Inservice & orientation salaries	2.08	2.33	2.52	2.52	2.64	2.58	2.63	3.24
Employee benefits - payroll taxes	0.13	0.16	0.16	0.18	0.18	0.19	0.18	0.32
Group health insurance	0.00	0.00	0.00	0.02	0.01	0.00	0.00	0.00
Workman's compensation insurance	0.10	0.09	0.12	0.18	0.19	0.19	0.17	0.17
Inservice and orientation supplies	0.00	0.00	0.00	0.00	0.00	0.01	0.01	0.00
	2.30	2.58	2.80	2.90	3.02	2.97	2.99	3.73

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Bethel Lutheran Home, Inc.
Revenue and Expense by Resident Day
For the Eight Quarters Trailing March 31, 2025

	at June 30	at Sept 30	at Dec 31	at March 31	at June 30	at Sept 30	at Dec 31	at March 31
Salaries - administrator	5.31	5.12	5.23	11.11	8.96	8.20	7.88	7.28
Salaries - other administrative	14.38	13.29	14.06	17.19	18.01	17.99	18.21	19.91
Employee benefits - payroll taxes	1.30	1.26	1.27	1.92	1.84	1.81	1.72	2.73
Group health insurance	1.28	1.17	1.21	1.00	1.06	1.25	1.42	1.55
Workman's compensation insur	0.35	0.29	0.33	0.88	0.73	0.66	0.61	0.44
Professional fees - accounting	2.00	1.93	1.82	2.56	2.98	1.58	1.69	0.97
Professional fees - legal & other	4.12	5.90	5.85	11.14	9.03	7.83	7.40	10.54
Administrative consultant	0.29	0.37	0.68	0.38	0.19	0.13	0.24	0.13
Office expense	1.84	1.97	1.90	1.85	1.67	1.70	1.73	1.63
Medical examinations	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Auto, travel & conventions	0.03	0.04	0.08	0.33	0.41	0.37	0.31	0.18
Dues and subscriptions	0.00	0.00	0.00	0.02	0.14	0.44	0.38	0.21
Taxes and licenses	2.58	2.29	2.37	2.68	2.77	2.71	2.73	3.14
General insurance	10.26	8.34	7.73	9.25	10.93	10.51	12.27	9.46
Advertising	0.25	0.38	0.39	0.14	0.16	0.17	0.16	0.21
Bad debt expense	0.00	0.00	3.20	0.00	0.00	0.00	8.90	0.00
Interest expense	2.79	2.59	7.65	2.20	2.33	2.32	2.30	2.75
Data processing fees	0.01	0.01	0.01	0.04	0.11	0.09	0.07	0.01
Telephone	0.99	0.87	0.87	0.65	0.75	1.40	1.35	2.18
Quality assurance fees	16.09	18.54	17.47	19.34	17.89	18.10	18.48	19.61
Miscellaneous	2.27	2.10	3.36	2.66	2.21	3.96	3.72	8.01
	66.12	66.46	74.80	85.35	82.18	81.22	91.57	90.95
OTHER EXPENSES								
Depreciation	2.94	3.04	3.18	3.59	3.62	3.59	3.59	4.33
Property taxes	0.42	0.42	0.44	0.46	0.49	0.47	1.07	3.42
	3.35	3.46	3.63	4.05	4.11	4.07	4.67	7.75
TOTAL EXPENSES	289.08	298.42	323.42	362.16	360.63	359.83	365.86	357.51
NET INCOME (LOSS)	24.39	19.34	5.86	(2.05)	(2.58)	(9.90)	(20.88)	(99.67)

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See accountant's disclaimer report.

Bethel Lutheran Home, Inc.
Revenue and Expense by Resident Day
For the Eight Quarters Trailing March 31, 2025

	at June 30	at Sept 30	at Dec 31	at Mar 31	at June 30	at Sep 30	at Dec 31	at Mar 31
REVENUE								
Community Care - private	80.01	76.25	77.36	85.88	83.39	83.03	82.53	87.60
Community Care - SSI	51.53	50.59	49.44	43.65	43.65	43.49	42.59	44.13
Other operating revenues	2.91	2.28	1.82	1.97	1.46	1.08	0.99	1.06
	78.58	75.20	75.98	84.94	82.17	81.38	80.57	84.88
NURSING								
Nursing salaries - aides & tech	43.48	41.05	42.36	46.56	46.46	47.36	50.80	70.93
Employee benefits - payroll taxes	2.93	2.80	2.86	3.34	3.23	3.32	3.41	8.27
Group health insurance	0.02	0.02	0.02	0.67	0.64	0.77	0.91	1.06
Workman's compensation insurance	3.73	3.09	3.61	5.27	5.13	5.10	5.14	6.63
	50.16	46.96	48.85	55.84	55.47	56.55	60.26	86.88
PLANT OPERATIONS								
Plant operations - Salaries	8.59	9.01	9.19	8.18	8.27	8.85	9.77	12.43
Employee benefits - payroll taxes	0.57	0.61	0.61	0.57	0.55	0.61	0.66	1.40
Group health insurance	0.53	0.48	0.49	0.38	0.36	0.35	0.37	0.32
Workman's compensation insurance	0.46	0.42	0.48	0.58	0.56	0.59	0.63	0.73
Supplies	1.80	1.97	1.84	3.17	2.43	2.48	2.74	1.64
Repairs and maintenance	14.47	16.30	16.00	15.00	14.62	19.42	19.79	12.36
Utilities	20.76	22.66	22.22	23.94	25.62	28.65	30.17	26.38
	47.18	51.44	50.83	51.83	52.41	60.93	64.12	55.26
HOUSEKEEPING								
Housekeeping - Salaries	8.59	8.32	8.99	10.90	10.61	10.95	11.56	13.38
Employee benefits - payroll taxes	0.57	0.59	0.58	0.79	0.74	0.77	0.78	1.37
Group health insurance	0.45	0.41	0.42	0.21	0.20	0.24	0.28	0.33
Workman's compensation insurance	0.46	0.37	0.45	0.80	0.75	0.76	0.75	0.71
Housekeepin consultant	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Supplies	1.07	1.19	1.20	1.32	2.01	2.02	2.20	1.78
Laundry	0.12	0.25	0.38	2.77	1.36	1.08	0.93	0.34
	11.27	11.11	12.03	16.78	15.67	15.81	16.51	17.91

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See accountant's disclaimer report.

Bethel Lutheran Home, Inc.
Revenue and Expense by Resident Day
For the Eight Quarters Trailing March 31, 2025

	at June 30	at Sept 30	at Dec 31	at Mar 31	at June 30	at Sep 30	at Dec 31	at Mar 31
DIETARY SERVICES								
Dietary Salaries	13.98	14.60	15.57	18.09	18.13	18.20	18.22	17.52
Employee benefits - payroll taxes	1.83	2.00	2.06	2.61	2.52	2.55	2.45	3.56
Group health insurance	0.88	0.84	0.87	0.72	0.70	0.81	0.87	0.83
Workman's compensation insurance	0.74	0.65	0.79	1.32	1.28	1.25	1.19	0.92
Dietician	0.53	0.59	0.62	1.41	1.03	0.83	0.82	0.72
Food	9.14	9.19	9.44	8.98	10.01	10.14	10.59	8.87
Non-food supplies	1.46	1.51	1.65	1.46	1.71	1.81	1.91	1.87
	28.56	29.38	30.99	34.59	35.37	35.59	36.05	34.29
ACTIVITY SERVICES								
Salaries - activity director	1.88	2.08	2.23	1.89	2.03	1.86	1.57	1.79
Salaries - social coordinator	2.03	1.95	2.02	1.93	1.87	1.97	2.09	2.67
Salaries - activities	3.92	4.07	4.37	4.90	4.19	3.67	3.65	5.30
Employee benefits - payroll taxes	0.50	0.55	0.55	0.62	0.57	0.52	0.51	0.97
Group health insurance	0.12	0.12	0.12	0.22	0.22	0.25	0.51	1.08
Workman's compensation insurance	0.40	0.36	0.42	0.63	0.58	0.52	0.50	0.50
Activities & other misc expenses	0.09	0.19	0.19	0.19	0.19	0.16	0.15	0.22
	8.95	9.33	9.90	10.38	9.65	8.94	8.98	12.53
INSERVICE EDUCATION SERVICES								
Inservice & orientation salaries	2.08	2.33	2.52	2.52	2.64	2.58	2.63	3.24
Employee benefits - payroll taxes	0.13	0.16	0.16	0.18	0.18	0.19	0.18	0.32
Group health insurance	0.00	0.00	0.00	0.02	0.01	0.00	0.00	0.00
Workman's compensation insurance	0.10	0.09	0.12	0.18	0.19	0.19	0.17	0.17
Inservice and orientation supplies	0.00	0.00	0.00	0.00	0.00	0.01	0.01	0.00
	2.30	2.58	2.80	2.90	3.02	2.97	2.99	3.73

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See accountant's disclaimer report.

Bethel Lutheran Home, Inc.
Revenue and Expense by Resident Day
For the Eight Quarters Trailing March 31, 2025

	at June 30	at Sept 30	at Dec 31	at Mar 31	at June 30	at Sep 30	at Dec 31	at Mar 31
ADMINISTRATIVE SERVICES								
Salaries - administrator	5.31	5.12	5.23	11.11	8.96	8.20	7.88	7.28
Salaries - other administrative	14.38	13.29	14.06	17.19	18.01	17.99	18.21	19.91
Employee benefits - payroll taxes	1.30	1.26	1.27	1.92	1.84	1.81	1.72	2.73
Group health insurance	1.28	1.17	1.21	1.00	1.06	1.25	1.42	1.55
Workman's compensation insurance	0.35	0.29	0.33	0.88	0.73	0.66	0.61	0.44
Professional fees - accounting	2.00	1.93	1.82	2.56	2.98	1.58	1.69	0.97
Professional fees - legal & other	4.12	5.90	5.85	11.14	9.03	7.83	7.40	10.54
Administrative consultant	0.29	0.37	0.68	0.38	0.19	0.13	0.24	0.13
Office expense	1.84	1.97	1.90	1.85	1.67	1.70	1.73	1.63
Medical examinations	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Auto, travel & conventions	0.03	0.04	0.08	0.33	0.41	0.37	0.31	0.18
Dues and subscriptions	0.00	0.00	0.00	0.02	0.14	0.44	0.38	0.21
Taxes and licenses	2.58	2.29	2.37	2.68	2.77	2.71	2.73	3.14
General insurance	10.26	8.34	7.73	9.25	10.93	10.51	12.27	9.46
Advertising	0.25	0.38	0.39	0.14	0.16	0.17	0.16	0.21
Bad debt expense	0.00	0.00	2.31	0.00	0.00	0.00	0.00	0.00
Telephone	0.99	0.87	0.87	0.65	0.75	1.40	1.35	2.18
Interest expense	2.79	2.59	2.53	2.20	2.33	2.32	2.30	2.75
Data processing fees	0.01	0.01	0.01	0.04	0.11	0.09	0.07	0.01
Miscellaneous	2.27	2.10	3.36	2.66	2.21	3.96	3.72	8.01
	50.03	47.92	51.99	66.01	64.29	63.12	64.19	71.34
OTHER EXPENSES								
Depreciation	7.44	7.05	7.29	8.19	8.08	8.29	8.91	12.18
Property taxes	1.06	0.97	1.02	1.05	1.09	1.09	2.66	9.63
	8.49	8.02	8.31	9.24	9.17	9.38	11.57	21.81
TOTAL EXPENSES	206.94	206.76	215.71	247.56	245.05	253.30	264.66	303.76
NET INCOME	(128.37)	(131.55)	(139.73)	(162.63)	(162.88)	(171.92)	(184.09)	(218.88)

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See accountant's disclaimer report.

Title 11, California Code of Regulations, § 999.5(d)(11)(G)

Copies of any requests for opinions to the Internal Revenue Service for rulings attendant to this transaction and any Internal Revenue Service responses thereto

No parties have requested opinions to the Internal Revenue Service for rulings in connection with the proposed Transaction.

Title 11, California Code of Regulations, § 999.5(d)(11)(H)

Proforma post-transaction balance sheet for the surviving or successor nonprofit corporation

A pro forma post transaction balance sheet for Bethel Skilled Care, LLC, will be submitted to the Attorney General's Office under separate cover as a confidential document in accordance with Section 999.5(c)(3).

Cal. Corp. Code § 5914(b)

List of primary languages spoken at the facilities subject to the transaction and the threshold languages/or Medi-Cal beneficiaries for the county in which such facilities are located.

Primary Languages Spoken at Facility: English, Spanish, Hmong

As of March 2024, the Threshold Languages for Medi-Cal Beneficiaries are English, Spanish, Hmong