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Kimball Farms

Disclosure Statement

This Disclosure Statement is prepared pursuant to Massachusetts General Laws, Chapter 93, Section 76 by BERKSHIRE RETIREMENT COMMUNITY, INC., hereafter referred to as PROVIDER, relating to a continuing care retirement community facility known

as KIMBALL FARMS located at 235 Walker Street, Lenox, Massachusetts 01240, and is incorporated by reference into the RESIDENT'S Residence and Care Agreement as

amended and restated.

1. Name and Business Address of Provider Berkshire Retirement Community, Inc.

235 Walker Street

Lenox, Massachusetts 01240

PROVIDER is a Massachusetts corporation, incorporated under the provisions of Massachusetts General Laws Chapter 180 (a not-for­ profit corporation). PROVIDER owns and operates the continuing care retirement community facility known as KIMBALL FARMS.

2. Officers and Trustees of Provider

A list of the current officers and Trustees of PROVIDER is contained in Exhibit A attached hereto. Except as specifically stated therein, the only occupation with PROVIDER of each person listed is that of serving as volunteer without compensation in the capacity indicated by

the position shown.

3. Description of Provider's Business Experience

PROVIDER was incorporated in December 1983 with the purpose of developing and operating a retirement community. KIMBALL FARMS is the initial effort of PROVIDER. The Board of Trustees of PROVIDER is composed of individuals who have extensive experience in finance, business, social services, hospital administration and programs serving the elderly of Berkshire County.

235 Walker Street, Lenox, Massachusetts 01240 (413) 637-7000

KIMBALL FARMS is managed by BHS Management Services, Inc. pursuant to a management contract. BHS Management Services is controlled by Berkshire Health Systems, Inc., which, through subsidiaries and controlled organization, provides comprehensive health services including acute care, long-term care, visiting nurse services, Hospice services, Integre Nurse, Integre Script and the services of an HMO to the residents of the residents of the Berkshire County area. Among its other activities, Berkshire Health Systems, Inc. controls Berkshire Medical Center in Pittsfield. Through the management arrangement with BHS Management Services, Inc. and BHS Management Services, Inc.'s relationship with Berkshire Health Systems, Inc., PROVIDER has access to the comprehensive healthcare delivery organization controlled by Berkshire Health Systems, Inc.

1. Statement of Affiliation

The sole corporate member of PROVIDER is the Berkshire Healthcare Systems, Inc., affilialtes of which own or operate fourteen nursing facilities. PROVIDER, however, is solely responsible for the financial and contractual obligations of Kimball Farms. PROVIDER, BHS Management Services, Inc. and Berkshire Healthcare Systems, Inc. are all exempt from the payment of Federal income taxes under Internal Revenue Code Section 501 (c) (3).

1. Description of Physical Facilities

PROVIDER'S facilities are located at 235 Walker Street, Lenox, Massachusetts. The facilities are comprised of 150 independent resident units, 48 traditional assisted living units, 26 memory impaired units and a 74 bed nursing care center licensed by the Commonwealth of Massachusetts and various common facilities.

6. Financial Statements

Certified financial statements of PROVIDER, including (a) a balance sheet as of the end of the most recent fiscal year and (b) income statements for the three most recent fiscal years and (c) interim financial statements of a date not more than 90 days from the date of your application, are attached as Exhibit C.

7. Additional Information

The Internal Revenue Service may interpret Section 7872 of the Internal Revenue Code of 1986 pertaining to below market interest rate loans so as to impose Federal income tax liability on the assumed interest income on the refundable portion of the entrance fee to a continuing care facility. The Internal Revenue Service may treat the refundable portion of the entrance fee as a loan from you to PROVIDER and thereby attribute to you receipt of interest income on the outstanding balance of the refundable portion of the entrance fee, even though you do not receive interest payments from PROVIDER.

You should consult with your accountant or attorney to determine how

the Internal Revenue Code, particularly Section 7872 may be applied to you.

By signing below, I acknowledge receipt of a copy of this Disclosure Statement on the date indicated below.

Resident Date

Resident Date