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April 2, 2009

John Erickson
Executive Chairman
Erickson Retirement Communities, LLC
701 Maiden Choice Lane
Baltimore, Maryland 21228

Dear Mr. Erickson:

This letter confirms and sets forth the terms and conditions of the engagement between Alvarez & Marsal Healthcare Industry Group, LLC ("A&M") and Erickson Retirement Communities, LLC (the "Company"), including the scope of the services to be performed and the basis of compensation for those services. Upon execution of this letter by each of the parties below and receipt of the retainer described below, this letter will constitute an agreement between the Company and A&M.

I. Description of Services

a. Officers. In connection with this engagement, A&M shall make available to the Company:

- (i) Guy Sansone to serve as the Chief Restructuring Officer (the "CRO") on a part-time basis, committing approximately 20 hours per week; and
- (ii) upon the mutual agreement of A&M and the Board of Directors of the Company (the "Board"), such additional personnel as are necessary to assist in the performance of the duties set forth in clause 1.b below (the "Additional Personnel"). Such Additional Personnel shall be designated by the Company as executive officers.

b. Duties.

- (i) The CRO, together with any Additional Personnel, in cooperation with the Chief Executive Officer of the Company (the "CEO"), shall perform a financial review of

the Company and the Campuses, including but not limited to a review and assessment of financial information that has been, and that will be, provided by the Company and Campuses to their creditors, including without limitation its short and long-term projected cash flows;

- (ii) The CRO will oversee Additional Personnel assisting in the identification of cost reduction and operations improvement opportunities as well as other liquidity savings opportunities;
 - (iii) The CRO and any Additional Personnel shall assist the CEO in developing for the Board's review possible restructuring plans or strategic alternatives for maximizing the enterprise value of the Company's various under development and open retirement communities (the "Campus") and developing a sustainable capital structure for the Company and such Campuses and each direct owner of such Campus (each, a "Landowner");
 - (iv) The CRO shall serve as the principal contact with the Company's and Campuses' (on behalf of the Company) creditors and consultants with respect to the Company's and Campuses' (on behalf of the Company) financial and operational matters;
 - (v) The CRO and Additional Personnel, under advisement of the Board, shall manage the Company's liquidity, cash flows, modeling, budgets and financial planning;
 - (vi) The CRO and any Additional Personnel shall perform such other services as requested or directed by the Board and CEO and agreed to by such officer.
- c. Reporting. The CRO and any Additional Personnel shall report to the Company's office of executive Chairman and the Board.
- d. Employment by A&M. The CRO and any Additional Personnel will continue to be employed by A&M and while rendering services to the Company will continue to work with other personnel at (and clients of) A&M in connection with other unrelated matters, which will not unduly interfere with services pursuant to this engagement. With respect to the Company, however, the CRO and any Additional Personnel shall operate under the direction of the Board and A&M shall have no liability to the Company for any acts or omissions of such officers.

- e. Projections; Reliance; Limitation of Duties. You understand that the services to be rendered by the CRO and any Additional Personnel may include the preparation of projections and other forward-looking statements, and that numerous factors can affect the actual results of the Company's or any Campus' operations, which may materially and adversely differ from those projections and other forward-looking statements. In addition, the CRO and any Additional Personnel will be relying on information provided by other members of the Company's management in the preparation of those projections and other forward-looking statements. Neither the CRO, any Additional Personnel nor A&M makes any representation or guarantee that an appropriate restructuring proposal or strategic alternative can be formulated for the Company or any Campus, that any restructuring proposal or strategic alternative presented to the Board will be more successful than all other possible restructuring proposals or strategic alternatives, that restructuring is the best course of action for the Company or any Campus or, if formulated, that any proposed restructuring plan or strategic alternative will be accepted by any of the Company's or any Campus' creditors, shareholders and other constituents. Further, neither the CRO, and any Additional Personnel nor A&M assumes responsibility for the selection of any restructuring proposal or strategic alternative that any such officer assists in formulating and presenting to the Board, and the CRO and any Additional Personnel shall be responsible for implementation only of the proposal or alternative approved by the Board and only to the extent and in the manner authorized and directed by the Board.
- f. Additional Responsibilities. Upon the mutual agreement of the Company and A&M, A&M may provide such additional personnel as the Company may request to assist in performing the services described above and such other services as may be agreed to, on such terms and conditions and for such compensation as the Company and A&M shall agree.
- g. In connection with the services to be provided hereunder, from time to time A&M may utilize the services of employees of its affiliates. Such affiliates are wholly owned by A&M's parent company and employees.

2. Compensation

a. A&M will be paid by the Company for the services of the CRO and any Additional Personnel at the following billing rates. The billing rate for the CRO is \$65,000 per month for up to 80 hours per month. Any additional time will be billed at an hourly rate for the CRO. The current hourly billing rates for other A&M personnel, based on the position held by such A&M personnel in A&M, are:

i. Managing Director	\$600-\$700
ii. Sr. Director	\$475-\$550
iii. Director	\$400-\$500
iv. Associate	\$325-\$400
v. Analyst	\$200-\$275

Such rates shall be subject to adjustment annually at such time as A&M adjusts its rates generally.

For the first 60 days of the engagement hereunder, A&M will cap daily and monthly hours charged at 10 and 200 hours, respectively, per employee, excluding the CRO.

b. In addition, A&M will be reimbursed for its reasonable out-of-pocket expenses incurred in connection with this assignment, such as travel, lodging, duplicating, computer research, messenger and telephone charges. In addition, A&M shall be reimbursed by the Company for the reasonable fees and expenses of its counsel incurred in connection with the preparation, negotiation and enforcement of this Agreement. All fees and expenses due to A&M will be billed on a weekly basis or, at A&M's discretion, more frequently.

c. The Company shall promptly remit to A&M a retainer in the amount of \$350,000 which shall be credited against any amounts due at the termination of this engagement and returned upon the satisfaction of all obligations hereunder.

In addition to the hourly compensation, A&M will be entitled to incentive compensation in the amount of (1) \$350,000 with respect to each Landowner (the "Incentive Fee") upon (i) the earlier of (x) the consummation of any out-of-court Restructuring Transaction (as defined below) or pre-arranged Chapter 11 Restructuring Transaction or (y) the effective date of a confirmed plan of reorganization under Chapter 11 of the Bankruptcy Code, which constitutes a Restructuring Transaction and (ii) the close of any

Sale Transaction (as defined below) and (2) with respect to each Land Owner, upon the completion of each Amendment Transaction (as defined below), \$100,000 for each such Amendment Transaction ("Amendment Transaction Fee"), provided (x) if multiple Amendment Transactions are consummated contemporaneously with multiple lenders (and no individual Amendment Transaction involves the extension of maturities), then the maximum aggregate fee for such contemporaneous Amendment Transactions shall be \$500,000 (i.e., 5.0 x the Amendment Transaction Fee); and (b) if multiple Amendment Transactions are consummated contemporaneously with multiple lenders (and any one or more of those Amendment Transactions involve the extension of maturities), then the maximum aggregate fee for such contemporaneous Amendment Transactions shall be \$1,000,000 (i.e., 10.0 x the Amendment Transaction Fee). Notwithstanding the foregoing, in no event shall the aggregate incentive fees earned here under exceed \$2,500,000.

For the purposes of this Agreement, a "Restructuring Transaction" shall be defined as any single transaction or series of transactions that effectuates any modification, amendment to, or change in, any of the Landowner's obligations and/or indebtedness for borrowed money, including accrued and/or accreted interest thereon, which are outstanding as of the Effective Date ("Indebtedness"), including, without limitation, interest bearing trade debt, senior bank debt and subordinated debt. Such modification, amendment, or change shall include, without limitation, any transaction(s) which provide for: any material modification, amendment or change of, or in, principal balance, accrued or accreted interest, payment term, other debt service requirement, and/or financial or operating covenant; any forbearance for at least twelve (12) months with respect to any payment obligation; conversion to equity, or some other security instrument, of any, or all, of such obligations or indebtedness; any compromise of the existing terms of such obligations and/or indebtedness; any combination of the foregoing transactions. Each of the foregoing shall include, without limitation, any transaction in which requisite consents to a reorganization or restructuring are obtained pursuant to a tender offer, exchange offer, consent solicitation or other process, or a plan of reorganization under the United States Bankruptcy Code.

For purposes of this agreement, the term "Sale Transaction" is defined to include any of the following (whether in one or a series of transaction): (a) a merger or consolidation of any Landowner and/or any of its businesses, subsidiaries or affiliates (b) a sale of

at least 50% of the equity securities of any Landowner (whether from the Company, Landowner or security holders of the Company or Landowner) or any business, subsidiary or affiliate of the Landowner (whether from such business, subsidiary, affiliate or the Company or Landowner), in any case whether by sale, exchange, tender offer or otherwise, (c) any transaction which results in a third party having the right to elect a majority of the members of the Board of Directors of the Company or any Landowner, (d) a sale (including, without limitation, by sale, lease, license, exchange or other acquisition) of a significant amount of the assets (tangible or intangible) of the Landowner or any of its businesses, subsidiaries or affiliates, (e) a liquidation of the Landowner or any of its businesses, subsidiaries or affiliates, (f) any recapitalization or restructuring (including spin-off or split-off of assets) of the Landowner or any of its businesses, subsidiaries or affiliates, or (g) any other form of disposition which results in the effective disposition of all or a substantial amount of the business, operations, or assets of the Landowner or any of its businesses, subsidiaries or affiliates.

For purposes of this Agreement, the term "Amendment Transaction" shall mean, (a) any forbearance, amendment or waiver, or series of forbearances, amendments or waivers, during any fiscal quarter with respect to the Company's debt obligations or (b) an increase in loan capacity under any existing debt facility from an existing Company lender, in either case, which does not otherwise constitute a Restructuring Transaction (each, an "Amendment Transaction"). Amendment Transactions shall generally consist of forbearances, amendments and waivers that require a simple majority under the Company's credit agreements; provided, however the Company and A&M have agreed solely for purposes of A&M's entitlement to the Incentive Fee set forth above, that the extension of maturities shall be included in the definition of Amendment Transaction herein.

Term

The engagement will commence as of the date hereof and may be terminated by either party without cause by giving 30 days' written notice to the other party. A&M normally does not withdraw from an engagement unless the Company misrepresents or fails to disclose material facts, fails to pay fees or expenses, or makes it unethical or unreasonably difficult for A&M to continue to represent the Company, or unless other just cause exists. In the event of any such termination, any fees and expenses due to A&M shall be remitted promptly (including fees and expenses that accrued prior to but were invoiced subsequent to such termination). If the Company terminates this engagement without Cause or if A&M terminates this engagement for Good Reason, A&M shall also be entitled to receive the Incentive Fee upon the occurrence of any event specified in Section 2(d) if such event occurs within 18 months of the termination. The Company may immediately terminate A&M's services hereunder at any time for Cause by giving written notice to A&M. Upon any such termination, the Company shall be relieved of all of its payment obligations under this Agreement, except for the payment of fees and expenses through the effective date of termination (including fees and expenses that accrued prior to but were invoiced subsequent to such termination) and its obligations under paragraphs 7 and 8. For purposes of this Agreement, "Cause" shall mean if (i) the CRO or any of the Additional Personnel is convicted of, admits guilt in a written document filed with a court of competent jurisdiction to, or enters a plea of nolo contendere to, an allegation of fraud, embezzlement, misappropriation or any felony; (ii) the CRO or any of the Additional Personnel willfully disobeys a lawful direction of the Board; or (iii) a material breach of any of A&M's or the CRO or any of the Additional Personnel material obligations under this Agreement which is not cured within 30 days of the Company's written notice thereof to A&M describing in reasonable detail the nature of the alleged breach. For purposes of this Agreement, termination for "Good Reason" shall mean either its resignation caused by a breach by the Company of any of its material obligations under this Agreement that is not cured within 30 days of A&M having given written notice of such breach to the Company describing in reasonable detail the nature of the alleged breach or a filing of a petition under Chapter 11 of the United States Bankruptcy Code in respect of the Company unless within 45 days thereafter (or, if sooner, prior to the date on which a plan of reorganization is confirmed or the case is converted to one under Chapter 7), the Company has obtained judicial authorization to continue the engagement on the terms herein pursuant to an order which has become a final, nonappealable order.

3. No Audit, Duty to Update.

It is understood that the CRO, any Additional Personnel and A&M are not being requested to perform an audit, review or compilation, or any other type of financial statement reporting engagement that is subject to the rules of the AICPA, SEC or other state or national professional or regulatory body. They are entitled to rely on the accuracy and validity of the data disclosed to them or supplied to them by employees and representatives of the Company or any Campus. The CRO, any Additional Personnel and A&M are under no obligation to update data submitted to them or review any other areas unless specifically requested by the Board to do so.

4. No Third Party Beneficiary.

The Company acknowledges that all advice (written or oral) given by A&M to the Company in connection with this engagement is intended solely for the benefit and use of the Company (limited to its Board and management) in considering the matters to which this engagement relates. The Company agrees that no such advice shall be used for any other purpose or reproduced, disseminated, quoted or referred to at any time in any manner or for any purpose other than accomplishing the tasks referred to herein without A&M's prior approval (which shall not be unreasonably withheld), except as required by law.

6. Conflicts.

A&M is not currently aware of any relationship that would create a conflict of interest with the Company or those parties-in-interest of which you have made us aware. Because A&M is a consulting firm that serves clients on an international basis in numerous cases, both in and out of court, it is possible that A&M may have rendered or will render services to or have business associations with other entities or people which had or have or may have relationships with the Company, including creditors of the Company. In the event you accept the terms of this engagement, A&M will not represent, and A&M has not represented, the interests of any such entities or people in connection with this matter.

7. Confidentiality / Non-Solicitation.

The CRO, and Additional Personnel and A&M shall keep as confidential all non-public information received from the Company in conjunction with this engagement, except (i) as requested by the Company or its legal

counsel; (ii) as required by legal proceedings or (iii) as reasonably required in the performance of this engagement. All obligations as to non-disclosure shall cease as to any part of such information to the extent that such information is or becomes public other than as a result of a breach of this provision. Except as specifically provided for in this letter, the Company on behalf of itself and its subsidiaries and affiliates and any person which may acquire all or substantially all of its assets agrees that, until two (2) years subsequent to the termination of this engagement, it will not solicit, recruit, hire or otherwise engage any employee of A&M who worked on this engagement while employed by A&M ("Solicited Person"). Should the Company or any of its subsidiaries or affiliates or any person who acquires all or substantially all of its assets extend an offer of employment to or otherwise engage any Solicited Person and should such offer be accepted, A&M shall be entitled to a fee from the party extending such offer equal to the Solicited Person's hourly client billing rate at the time of the offer multiplied by 4,000 hours for a Managing Director, 3,000 hours for a Senior Director and 2,000 hours for any other A&M employee. The fee shall be payable at the time of the Solicited Person's acceptance of employment or engagement.

8. Indemnification

The Company shall indemnify the CRO and all Additional Personnel to the same extent as the most favorable indemnification it extends to its officers or directors, whether under the Company's bylaws, its certificate of incorporation, by contract or otherwise, and no reduction or termination in any of the benefits provided under any such indemnities shall affect the benefits provided to the CRO or Additional Personnel. The CRO and each Additional Personnel shall be covered as an officer under the Company's existing director and officer liability insurance policy. As a condition of A&M accepting this engagement, a Certificate of Insurance evidencing such coverage shall be furnished to A&M prior to the effective date of this Agreement. The Company shall give thirty (30) days' prior written notice to A&M of cancellation, non-renewal, or material change in coverage, scope, or amount of such director and officer liability policy. The Company shall also maintain any such insurance coverage for the CRO and each Additional Personnel for a period of not less than two years following the date of the termination of such officer's services hereunder. The provisions of this section 8 are in the nature of contractual obligations and no change in applicable law or the Company's charter, bylaws or other organizational documents or policies shall affect the CRO's or any Additional Personnel's rights hereunder. The attached indemnity provisions are incorporated herein and the termination of this agreement or the engagement shall not affect those provisions, which shall survive termination.

9. Miscellaneous.

This Agreement shall (together with the attached indemnity provisions) be: (a) governed and construed in accordance with the laws of the State of New York, regardless of the laws that might otherwise govern under applicable principles of conflict of laws thereof; (b) incorporates the entire understanding of the parties with respect to the subject matter thereof; and (c) may not be amended or modified except in writing executed by each of the signatories hereto. The Company and A&M agree to waive trial by jury in any action, proceeding or counterclaim brought by or on behalf of the parties hereto with respect to any matter relating to or arising out of the performance or non-performance of the Company or A&M hereunder. The Company and A&M agree, to the extent permitted by applicable law, that any Federal Court sitting within the Southern District of New York shall have exclusive jurisdiction over any litigation arising out of this Agreement; to submit to the personal jurisdiction of the Courts of the United States District Court for the Southern District of New York; and to waive any and all personal rights under the law of any jurisdiction to object on any basis (including, without limitation, inconvenience of forum) to jurisdiction or venue within the State of New York for any litigation arising in connection with this Agreement.

If the foregoing is acceptable to you, kindly sign the enclosed copy to acknowledge your agreement with its terms.


Very truly yours,

Alvarez & Marsal Healthcare
Industry Group, LLC

By: 
Paul Rundell
Managing Director

Accepted and Agreed:

Erickson Retirement Communities, LLC

By: 
John Erickson
Executive Chairman

INDEMNIFICATION AGREEMENT

This indemnity is made part of an agreement, dated April 2, 2009 (which together with any renewals, modifications or extensions thereof, is herein referred to as the "Agreement") by and between Alvarez & Marsal Healthcare Industry Group, LLC ("A&M") and Erickson Retirement Communities, LLC (the "Company"), for services to be rendered to the Company by A&M.

A. The Company agrees to indemnify and hold harmless each of A&M, its affiliates and their respective shareholders, members, managers, employees, agents, representatives and subcontractors (each, an "Indemnified Party" and collectively, the "Indemnified Parties") against any and all losses, claims, damages, liabilities, penalties, obligations and expenses, including the costs for counsel or others (including employees of A&M, based on their then current hourly billing rates) in investigating, preparing or defending any action or claim, whether or not in connection with litigation in which any Indemnified Party is a party, or enforcing the Agreement (including these indemnity provisions), as and when incurred, caused by, relating to, based upon or arising out of (directly or indirectly) the Indemnified Parties' acceptance of or the performance or nonperformance of their obligations under the Agreement; provided, however, such indemnity shall not apply to any such loss, claim, damage, liability or expense to the extent it is found in a final judgment by a court of competent jurisdiction (not subject to further appeal) to have resulted primarily and directly from such Indemnified Party's gross negligence or willful misconduct. The Company also agrees that no Indemnified Party shall have any liability (whether direct or indirect, in contract or tort or otherwise) to the Company for or in connection with the engagement of A&M, except to the extent that any such liability for losses, claims, damages, liabilities or expenses are found in a final judgment by a court of competent jurisdiction (not subject to further appeal) to have resulted primarily and directly from such Indemnified Party's gross negligence or willful misconduct. The Company further agrees that it will not, without the prior consent of an Indemnified Party, settle or compromise or consent to the entry of any judgment in any pending or threatened claim, action, suit or proceeding in respect of which such Indemnified Party seeks indemnification hereunder (whether or not such Indemnified Party is an actual party to such claim, action, suit or proceedings) unless such settlement, compromise or consent includes an unconditional release of such Indemnified Party from all liabilities arising out of such claim, action, suit or proceeding.

B. These indemnification provisions shall be in addition to any liability which the Company may otherwise have to the Indemnified Parties. In the event that, at any time whether before or after termination of the engagement or the Agreement, as a result of or in connection with the Agreement or A&M's and its personnel's role under the Agreement, A&M or any Indemnified Party is required to produce any of its personnel (including former employees) for examination, deposition or other written, recorded or oral presentation, or A&M or any of its personnel (including former employees) or any other Indemnified Party is required to produce or otherwise review, compile, submit, duplicate, search for, organize or report on any material within such Indemnified Party's possession or control pursuant to a subpoena or other legal (including administrative) process, the Company will reimburse the Indemnified Party for its out of pocket expenses, including the reasonable fees and expenses of its

counsel, and will compensate the Indemnified Party for the time expended by its personnel based on such personnel's then current hourly rate.

C. If any action, proceeding or investigation is commenced to which any Indemnified Party proposes to demand indemnification hereunder, such Indemnified Party will notify the Company with reasonable promptness; provided, however, that any failure by such Indemnified Party to notify the Company will not relieve the Company from its obligations hereunder, except to the extent that such failure shall have actually prejudiced the defense of such action. The Company shall promptly pay expenses reasonably incurred by any Indemnified Party in defending, participating in, or settling any action, proceeding or investigation in which such Indemnified Party is a party or is threatened to be made a party or otherwise is participating in by reason of the engagement under the Agreement, upon submission of invoices therefor, whether in advance of the final disposition of such action, proceeding, or investigation or otherwise. Each Indemnified Party hereby undertakes, and the Company hereby accepts its undertaking, to repay any and all such amounts so advanced if it shall ultimately be determined that such Indemnified Party is not entitled to be indemnified therefor. If any such action, proceeding or investigation in which an Indemnified Party is a party is also against the Company, the Company may, in lieu of advancing the expenses of separate counsel for such Indemnified Party, provide such Indemnified Party with legal representation by the same counsel who represents the Company, provided such counsel is reasonably satisfactory to such Indemnified Party, at no cost to such Indemnified Party; provided, however, that if such counsel or counsel to the Indemnified Party shall determine that due to the existence of actual or potential conflicts of interest between such Indemnified Party and the Company such counsel is unable to represent both the Indemnified Party and the Company, then the Indemnified Party shall be entitled to use separate counsel of its own choice, and the Company shall promptly advance its reasonable expenses of such separate counsel upon submission of invoices therefor. Nothing herein shall prevent an Indemnified Party from using separate counsel of its own choice at its own expense. The Company will be liable for any settlement of any claim against an Indemnified Party made with the Company's written consent, which consent shall not be unreasonably withheld.

D. In order to provide for just and equitable contribution if a claim for indemnification pursuant to these indemnification provisions is made but it is found in a final judgment by a court of competent jurisdiction (not subject to further appeal) that such indemnification may not be enforced in such case, even though the express provisions hereof provide for indemnification, then the relative fault of the Company, on the one hand, and the Indemnified Parties, on the other hand, in connection with the statements, acts or omissions which resulted in the losses, claims, damages, liabilities and costs giving rise to the indemnification claim and other relevant equitable considerations shall be considered; and further provided that in no event will the Indemnified Parties' aggregate contribution for all losses, claims, damages, liabilities and expenses with respect to which contribution is available hereunder exceed the amount of fees actually received by the Indemnified Parties pursuant to the Agreement. No person found liable for a fraudulent misrepresentation shall be entitled to contribution hereunder from any person who is not also found liable for such fraudulent misrepresentation.

E. In the event the Company and A&M seek judicial approval for the assumption of the

Agreement or authorization to enter into a new engagement agreement pursuant to either of which A&M would continue to be engaged by the Company, the Company shall promptly pay expenses reasonably incurred by the Indemnified Parties, including attorneys' fees and expenses, in connection with any motion, action or claim made either in support of or in opposition to any such retention or authorization, whether in advance of or following any judicial disposition of such motion, action or claim, promptly upon submission of invoices therefor and regardless of whether such retention or authorization is approved by any court. The Company will also promptly pay the Indemnified Parties for any expenses reasonably incurred by them, including attorneys' fees and expenses, in seeking payment of all amounts owed it under the Agreement (or any new engagement agreement) whether through submission of a fee application or in any other manner, without offset, recoupment or counterclaim, whether as a secured claim, an administrative expense claim, an unsecured claim, a prepetition claim or a postpetition claim.

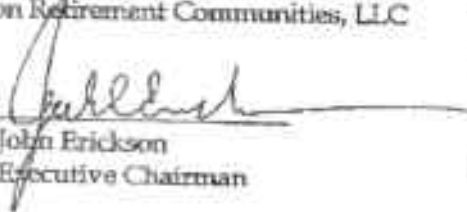
F. Neither termination of the Agreement nor termination of A&M's engagement nor the filing of a petition under Chapter 7 or 11 of the United States Bankruptcy Code (nor the conversion of an existing case to one under a different chapter) shall affect these indemnification provisions, which shall hereafter remain operative and in full force and effect.

G. The rights provided herein shall not be deemed exclusive of any other rights to which the Indemnified Parties may be entitled under the certificate of incorporation or bylaws of the Company, any other agreements, any vote of stockholders or disinterested directors of the Company, any applicable law or otherwise.

Erickson Retirement Communities, LLC

ALVAREZ & MARSAL HEALTHCARE
INDUSTRY GROUP, LLC

By:


John Erickson
Executive Chairman

By:

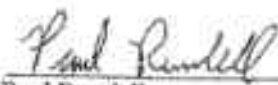

Paul Rundell
Managing Director

Exhibit D

Curriculum Vitae

Guy Sansone

X Sector Fall



Guy Sansone

Managing Director

Head of Healthcare Industry Group



ALVAREZ & MARSAL

- Guy Sansone, a Managing Director with Alvarez & Marsal in New York, serves as head of the firm's Healthcare Industry Group. Mr. Sansone brings more than 17 years of experience working as an adviser, investor and senior manager of troubled and underperforming companies. He focuses on developing and evaluating strategic and operating alternatives designed to enhance value through operating turnaround, financial reorganization or sale.
- Mr. Sansone's major engagements have been in the healthcare and telecommunications industries, with prior experience in distribution, shipping, drilling, real estate and financial services. He most recently served as Chief Executive Officer and Chief Restructuring Officer at Saint Vincent Catholic Medical Centers in New York. Previously, Mr. Sansone was interim Chief Financial Officer of HealthSouth Corporation and a member of the leadership team that facilitated the company's successful out-of-court operational and financial restructuring during a high-profile crisis period. Previously, Mr. Sansone served as SVP of Integrated Health Services, Inc., President and co-CEO of Rotech Healthcare Inc. ("Rotech"), and Chief Financial Officer of Telegroup, Inc. Additionally, he serves as a member of Rotech's Board of Directors.
- Prior to joining A&M, Mr. Sansone spent four years investing in distressed companies and other special situations, including management of Praxair Capital Corp., the post-bankruptcy successor to Integrated Resources, Inc. In this role, he specialized in evaluating the cash flow and performing due diligence on a number of portfolio distressed debt, leveraged buyout and venture capital investments. Prior to that, Mr. Sansone served as an accounting and auditing manager with Deloitte & Touche, LLP, where he primarily focused on large publicly traded and troubled companies.
- Mr. Sansone received a bachelor's degree from State University of New York at Albany. He is a Certified Public Accountant (CPA).

Exhibit E

Curriculum Vitae

Paul Rundell

Professional Title



Paul Rundell
Managing Director



ALVAREZ & MARSAL

- ▲ Paul Rundell is a Managing Director with Alvarez & Marsal Healthcare Industry Group in New York. Mr. Rundell brings more than 13 years of experience specializing in interim management specifically cash management and financial analysis.
- ▲ Mr. Rundell has provided cash management, financial support, crisis management, turnaround consulting, business strategy and planning, market analysis and operational improvement services to clients, and has advised unsecured and secured creditors and debtors both in and out of court. He is skilled in the creation of cash management processes, 13-week cash flow, profit / loss statements, balance sheet statements, borrowing bases and other financial documents to help manage and run corporations. Mr. Rundell has worked with various healthcare clients geographically dispersed throughout the country.
- ▲ Currently with A&M, Mr. Rundell is advising a \$2 billion assisted living facility operator. Prior to this assignment, he advised a five hospital acute health system and served as Senior Vice President, Financial Restructuring, for St. Vincent's Catholic Medical Centers, a \$1.5 billion non-profit hospital system in New York. In connection with A&M's management assignment on the Chapter 11 restructuring. In this role, Mr. Rundell's responsibilities included DASNY negotiations, cash management, producing short and long-term business plan projections and assisting the CFO and CRO on various other projects.
- ▲ Mr. Rundell's other assignments have included leading an in-court assignment for a \$150 million non-profit nursing home, where he identified almost \$10 million of annual savings by reducing head count and non-salary cost reductions, and leading a \$200 million recapitalization for a \$430 million senior health care facility portfolio, where he successfully negotiated additional funds to be invested from various constituencies.
- ▲ Prior to joining A&M, Mr. Rundell worked with several restructuring and interim management firms where he assisted clients with revenues ranging from \$100 million to more than \$15 billion.
- ▲ Mr. Rundell holds a bachelor's degree and a master's degree in business administration from the University of Illinois. He is a Certified Insolvency and Restructuring Advisor (CIRA) and a Certified Turnaround Professional (CTP). He is a member of the Turnaround Management Association (TMA) and the Association of Insolvency and Restructuring Advisors (AIRA).

Exhibit F

Dispute Resolution Procedures

SCHEDULE A

Listing of Parties-In-Interest Reviewed for Current Relationships

Erickson Retirement Communities, LLC Potential Parties In Interest

Debtors and Non-Debtor Affiliates

Erickson Retirement Communities, LLC
Ashburn Campus, LLC
Columbus Campus, LP
Concord Campus GP, LLC
Concord Campus, LP
Dallas Campus GP, LLC
Dallas Campus, LP
Erickson Construction, LLC
Erickson Group, LLC
Hingham Campus, LLC
Houston Campus, LP
Kansas Campus, LLC
Lincolnshire Campus, LLC
Littleton Campus, LLC
Naperville Campus, LLC
Novi Campus, LLC
Senior Campus Services, LLC
Warminster Campus GP
Warminster Campus, LP

Prepetition Lenders

Abington Bank
Bank of America, N.A.
Commerce Bank, N.A.
First Commonwealth Bank
Hillcrest Bank
Manufacturers and Traders Trust Company
Manufacturers and Traders Trust Company
PNC Bank, National Association
Provident Bank
Sandy Spring Bank
Sovereign Bank
Virginia Commerce Bank
Wilmington Trust FSB

Consolidated 30 Largest Creditors

Allan A. Meyers, LP
Amming-Johnson Company
Atlas Welding & Fabrication, Inc.
Becker Electrical Group, Inc.
Building Systems
Business Flooring
Concrete Foundations & Flatwork
Deola, Inc.
EMC Corporation
Gannett Offset
GE Appliances
Hunt & Walsh, Inc.
Huntington Mechanical
International Business Machines Corp.
Mechanical Engineering & Construction
MED3000
Northern Mechanical Contractors, Inc.
Northwest Electric
P C Curry Floor Covering
Price Modern
RCM & D, Inc.
Regional Construction Resources, Inc.
Ultimate Kitchens
United States Postal Services
W. H. Boyer, Inc.
Westside Mechanical, Inc.
William A. Hazel, Inc.
Winchester Enterprises, Inc.
Winchester Group, Inc.
Worth & Company, Inc.

Professionals Retained by Debtors

Alvarez & Marsal Holdings, LLC
Houffman, Lokery, Howard & Zukin, Inc.

**US Bankruptcy Court for the
Dallas Division of the
Northern District of Texas**

Judges

Chief Judge Barbara J. Houser
Judge Robert L. Jones
Judge D. Michael Lynn
Judge Hatlin D. Hale
Judge Russell F. Nelms
Judge Stacey G. C. Jernigan

**Office of the US Trustee for
the Northern District of
Texas Employees**

William T. Neary Susan G. Young
Beverly Brooks Elizabeth Ziegler
Ruby Curry
Mary Frances Darham
Christi C. Flanagan
C. Marie Goodier
Melany M. Johnson
Lisa L. Lambert
Marina J. Lopez
Albert Loftus
LaSharon F. McClellan
George F. McElreath
A. L. Nickerson
Sandra F. Nixon
Felicia P. Palas
Bradley D. Perdue
Nancy S. Resnick
Julie S. Salinas
Erin Schmidt
Joseph W. Speranza
Cheryl H. Wilcoxson
Cindy Worthington
Gale Wright

**Current or Former Agents and
Servicers under Credit Agreement**
Manufacturers and Traders Trust Company
Wilmington Trust FSB

**Indenture Trustee for Subordinated Taxable
Adjustable Mezzanine Put Securities**
Bank of New York

SCHEDULE B

Listing of Parties in Interest Represented by A&M

Erickson Disclosure

Creditors¹

American Express Travel Services
Bank of America
Barclays Capital
Capmark
Citizens/Charter One Bank
Fifth Third Bank
Guaranty Bank
IKON Financial Services
KBC
Key Bank
M&T Bank
M&T Credit Corporation
Morgan Stanley Real Estate
Oppenheimer
PNC Bank, N.A.
Sovereign Bank
TD/Commerce Bank
Travelers
Verizon Wireless
Wachovia
Wells Fargo
Wilmington Trust

Members of Noteholders Group²

American Express Travel Services
IKON Financial Services
Morgan Stanley Real Estate

¹ A&M is currently advising or has previously advised these parties or their affiliates as creditors or various official creditors' committees in which these parties or their affiliates were members or which represented the interests of these parties or their affiliates.

² A&M is currently advising or has previously advised various official or unofficial noteholders' committees in which these parties or their affiliates were members or which represented the interests of these parties or their affiliates.

Professionals & Advisors³

Alston & Bird
DLA Piper LLP⁴
FTI Consulting
Houlihan Lokey
Jackson Lewis
Mintz Levin
Pricewaterhouse Coopers LLP
Sills Cummis & Gross Pc
Squire Sanders & Dempsey LLP
Whiteford Taylor And Preston
Winston & Strawn

Clients Of A&M And/Or Its Affiliates⁵

American Express Travel Services
AT & T Mobility
Bank of America
Capmark Finance Inc
Comcast Cable
Dell Marketing L.P
Emc Corporation
Fifth Third Bank
Hess Corporation
KBC
Key Bank
Microsoft Licensing
Morgan Stanley Real Estate
Oracle
Presidio
Qwest Communications
TD/Commerce Bank
Travelers
Verizon Wireless
Wachovia
Wells Fargo

³ These professionals have represented clients in matters where A&M was also an advisor (or provided crisis management) to the same client. In certain cases, these professionals may have engaged A&M on behalf of such client.

⁴ These professionals represent A&M and/or an affiliate on wholly unrelated matters.

⁵ A & M and/ or an affiliate is currently providing or has previously provided certain consulting services to these parties or their affiliates in wholly unrelated matters.

Significant Equity Holders⁶

American Express Travel Services
Bank of America
Barclays Capital
Citizens/Charter One Bank
Hillcrest Bank
Key Bank
Morgan Stanley Real Estate
Oppenheimer
PNC Bank, N.A.
TD/Commerce Bank
Travelers
Wachovia
Wells Fargo

Significant Joint Venture Partners⁷

Barclays Capital
Microsoft Licensing
Sovereign Bank
Sprint

⁶ These parties or their affiliates are significant equity holders of other clients of A&M or its affiliates in wholly unrelated matters.

⁷ These parties or their affiliates are significant joint venture partners of other clients of A&M or its affiliates in wholly unrelated matters.