

UNITED STATES BANKRUPTCY COURT Northern District of Texas (Dallas Division)

PROOF OF CLAIM

Name of Debtor: Erickson Retirement Communities, LLC

Case Number: 09-37010

NOTE: This form should not be used to make a claim for an administrative expense arising after the commencement of the case. A request for payment of an administrative expense may be filed pursuant to 11 U.S.C. § 503.

Name of Creditor (the person or other entity to whom the debtor owes money or property):

Check this box to indicate that this claim amends a previously filed claim.

Name and address where notices should be sent:

20835747006391
BOOTH, LENORA L
2641 GOLF ISLAND ROAD
ELLCOTT CITY, MD 21042

YOUR CLAIM IS SCHEDULED AS:
Schedule/Claim ID: s2505
AMOUNT/CLASSIFICATION
\$469,501.12 UNSECURED
[Contingent/Unliquidated/Disputed]

Court Claim Number: (If known)

Filed on:

RECEIVED

Name and address where payment should be sent (if different from above):

JAN 14 2010

BMC GROUP

Telephone number: 410-750-0288

Check this box if you are aware that anyone else has filed a proof of claim relating to your claim. Attach copy of statement giving particulars.

Check this box if you are the debtor or trustee in this case.

1. Amount of Claim as of Date Case Filed: \$ 469,501.12

If all or part of your claim is secured, complete item 4 below; however, if all of your claim is unsecured, do not complete item 4.

If all or part of your claim is entitled to priority, complete item 5.

Check this box if claim includes interest or other charges in addition to the principal amount of claim. Attach itemized statement of interest or charges.

5. Amount of Claim Entitled to Priority under 11 U.S.C. §507(a). If any portion of your claim falls in one of the following categories, check the box and state the amount.

Specify the priority of the claim.

2. Basis for Claim: Retirement Plan (GAP)

Domestic support obligations under 11 U.S.C. §507(a)(1)(A) or (a)(1)(B).

3. Last four digits of any number by which creditor identifies debtor: 5421

Wages, salaries, or commissions (up to \$10,950*) earned within 180 days before filing of the bankruptcy petition or cessation of the debtor's business, whichever is earlier - 11 U.S.C. §507 (a)(4).

3a. Debtor may have scheduled account as:

Contributions to an employee benefit plan - 11 U.S.C. §507 (a)(5).

4. Secured Claim (See instruction #4 on reverse side.) Check the appropriate box if your claim is secured by a lien on property or a right of setoff and provide the requested information.

Up to \$2,425* of deposits toward purchase, lease, or rental of property or services for personal, family, or household use - 11 U.S.C. §507 (a)(7).

Nature of property or right of setoff: Real Estate Motor Vehicle Other

Value of Property: Annual Interest Rate %

Amount of arrearage and other charges as of time case filed included in secured claim,

if any: Basis for perfection:

Amount of Secured Claim: Amount Unsecured:

Taxes or penalties owed to governmental units - 11 U.S.C. §507 (a)(8).

6. Credits: The amount of all payments on this claim has been credited for the purpose of making this proof of claim.

Other - Specify applicable paragraph of 11 U.S.C. §507 (a)().

7. Documents: Attach redacted copies of any documents that support the claim, such as promissory notes, purchase orders, invoices, itemized statements of running accounts, contracts, judgments, mortgages, and security agreements. You may also attach a summary. Attach redacted copies of documents providing evidence of perfection of a security interest. You may also attach a summary. (See instruction 7 and definition of "redacted" on reverse side.)

Amount entitled to priority:

DO NOT SEND ORIGINAL DOCUMENTS. ATTACHED DOCUMENTS MAY BE DESTROYED AFTER SCANNING.

\$

If the documents are not available, please explain:

*Amounts are subject to adjustment on 4/1/10 and every 3 years thereafter with respect to cases commenced on or after the date of adjustment.

Date: 1/2/10

Signature: The person filing this claim must sign it. Sign and print name and title, if any, of the creditor or other person authorized to file this claim and state address and telephone number if different from the notice address above. Attach copy of power of attorney, if any.

FOR COURT USE ONLY

Erickson Ret. Comm. LLC



00461

Lenora L. Booth

SEPARATION AGREEMENT AND RELEASE

THIS SEPARATION AGREEMENT AND RELEASE (the "Agreement") is entered effective as of the 30th day of September, 2008 between Erickson Retirement Communities, LLC ("Company"), and Lenora Booth ("Executive").

Recitals

R.1. Company and Executive agree that it is mutually beneficial to the parties to sever the employment relationship pursuant to the terms and conditions provided herein.

Agreement

NOW, THEREFORE, in consideration of the foregoing and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties agree as follows:

1. Company and Executive agree that Executive will resign from full-time employment with Company as of October 3, 2008. Starting October 4, 2008, Company and Executive agree that Executive shall be employed by Company as a part-time employee, on the terms and conditions described in this Agreement and subject to Company's normal rules for employees, through November 30, 2009 (the "Effective Date"). Executive's duties and responsibilities to the Company shall be limited to assisting Company by serving on regional boards as an executive of Company, serving as the Work Group Chairperson for the CRISP project, providing consultation services for no more than five days per month, and any duties related to transitioning of Executive's responsibilities.

2. Executive's resignation from the position of Executive Vice President of Company and from all other offices and positions with the Company or its affiliates, shall be effective as of the Effective Date of November 30, 2009.

3. Company and Executive agree that Company will pay the following compensation and benefits to Executive:

3.1 Through the Effective Date, Company will remit to Executive bi-weekly paychecks in the gross amount of Nine Thousand Two Hundred Ninety-One Dollars (\$9291.00), minus applicable withholdings and taxes, on the normal paydates for Company. Payments will first be applied to Executive's outstanding paid time off ("PTO") accrual as of October 3, 2008 and then to payments of regular salary.

3.2 Through the Effective Date, Company will continue to maintain and pay its portion towards Executive's current health benefits package. Beginning in

October 2009, Executive may elect to continue her current health benefits package under COBRA at her own cost.

3.3 It is agreed that Executive is 100% vested in the employer's matching contributions towards her 401k plan.

3.4 Company and Executive agree that Executive shall not accrue any additional PTO or extended leave bank benefits after her last full-time employment date of October 3, 2008.

3.5 The Company agrees that Executive is 100% vested in the Executive's Growth Participation Plan. As of the date of this Agreement, Employee has the units and values shown on Exhibit A attached hereto. All sums due Executive under the Growth Participation Plan shall be paid to Executive per the terms of the respective GPP plans. Per the terms of the current Plan, Executive's 2007 Plan Units shall receive the adjusted value for 2008, pro-rated through the last day of full employment on October 3, 2008. As a part-time employee, Executive will not be credited with any further Plan Units in calendar year 2009 nor receive any further value adjustments for 2009.

3.6 Company will remit a pro-rated performance bonus for 2008, less applicable taxes and withholdings, to Executive no later than the regular bonus payout date anticipated in 2009. The amount of the bonus will be determined by the standard components for the Company bonus program, taking into consideration personal performance, department performance, and company performance.

3.7 Except as provided in this Agreement, Executive will not be entitled to any other or further compensation, remuneration, payments or benefits of any kind; however, nothing in this paragraph is intended to divest Executive of any retirement benefit or deferred compensation programs of any kind in which she has a vested right, nor is it intended to affect any rights and entitlements Executive has to health insurance continuation under COBRA.

4. Executive agrees to return promptly all of Company's property including, but not limited to, Executive's employee identification card, parking pass, equipment, supplies, and any and all documents and files concerning residents, employees, vendors, services, products, software, technical and business information prepared for or by Company or its retirement communities. However, Executive shall be entitled to retain her cell phone (and phone number) and her laptop computer. In addition, through the Effective Date, Executive may keep her Company credit card solely for making travel arrangements for Company business or for other Company related expenses.

5. Executive agrees to keep confidential any trade secret and any business, proprietary, confidential, or copyrighted information of Company or its retirement communities which Executive acquired in connection with Executive's employment. Executive agrees, for a period of one (1) year from the Effective Date, not to hire nor to solicit to hire any current employee of Company.

6. Except as required by law, Executive agrees to keep the terms of this Agreement completely confidential, and further agrees not to disclose the terms and conditions of this Agreement or the existence of this Agreement to anyone including, but not limited to, any past, present, or prospective employees or applicants for employment with Company; provided, however, that this restriction shall not apply to disclosure by Executive to Executive's immediate family, her attorney, or her financial advisors.

7. Executive agrees not to communicate any derogatory or defamatory information concerning Company, including its members, directors, officers, employees, or agents, to any persons, corporations, or other entities. Company agrees not to communicate any derogatory or defamatory information concerning Executive to any persons, corporation, or other entity.

8. In consideration for the Company's agreement to pay the amounts described in Section 3 hereof, Executive hereby releases Company, its members, directors, officers, employees, agents, and all related or affiliated persons or entities of and from any and all liability, claims, causes, demands, obligations, attorneys fees, actions, contracts, torts, promises, damages, and rights, arising as of the date of this release, which Executive has or may have arising out of or related to Executive's employment, including the termination of Executive's employment. This waiver and release includes all rights and obligations under any federal, state, or local laws, regulations, ordinances, or common law, including but not limited to all employment discrimination laws such as Title VII of the Civil Rights Act of 1964, as amended, the Maryland Human Rights Act, the Age Discrimination in Employment Act (ADEA), the Americans with Disabilities Act, 42 U.S.C. Section 1981 *et seq.*, and all other employment laws, all claims for wrongful discharge, all claims that the persons or entities released in this paragraph dealt unfairly with Executive, in bad faith, or in violation of any employment agreement, express or implied, and all claims for personal injury, emotional distress, pain and suffering, compensatory and/or punitive damages.

9. Executive further agrees that she has not filed nor commenced any charges, complaints, claims, civil actions or other proceedings against the Released Parties in any federal, state or local agency, court, commission or other tribunal. Executive further agrees not to seek or request damages in connection with any other claim, demand or charge that may be filed with any federal, State or local agency, court, commission or other tribunal against the Released Parties. This Agreement is not intended to interfere with any right that Executive may have to file a charge with any federal, state or local governmental authority, except that Executive understands and agrees that by entering into this Agreement, he waives

any claim to recovery of any remedy beyond what is provided in this Agreement. Furthermore, Executive affirms and acknowledges that she has not been denied any leave requested under the Family and Medical Leave Act or any applicable state or local acts providing for leave. The release described in Section 8 of this Agreement does not preclude Executive from bringing an action to enforce the terms of this Agreement or to challenge the validity of this Agreement.

10. Executive agrees that she had the opportunity to report to Company any violations of the Company Corporate Compliance Plan of which she had knowledge as of the date of this Agreement. Executive hereby further agrees that she had no knowledge of any violations of the Plan, and agrees to notify Company in writing should she become aware of any such violation prior to the Effective Date.

11. Executive has the right to consult with an attorney concerning this Agreement. In accordance with current legal requirements under the Older Workers' Benefit Protection Act, Company's offer to pay the compensation and benefits described in Section 2 hereof will be held open for no more than twenty-one (21) days from the date that Company executed this Agreement, after which time the offer will expire. Executive may use as much of this 21-day period as she needs before signing. In addition, Executive may revoke this Agreement any time within seven (7) days after it is signed by Executive. Any revocation must be in writing and delivered to the Chief Executive Officer of Company, with a copy to General Counsel, within seven (7) days in order to be effective.

12. The parties' signatures confirm that they are entering into this Agreement voluntarily and with the full understanding of all the above terms, and that they are not relying upon any representations, statements or agreements of Company as a basis for entering into this Agreement except for those expressly set forth in this Agreement. In addition, once signed, this Agreement will set forth the entire agreement between Company and Executive. It will supersede any previous agreements or discussions concerning Executive's employment or the termination thereof, except as expressly noted above. No changes to this Agreement will be valid unless in writing and signed by all parties. Any need for interpretation or enforcement of this Agreement will be in accordance with Maryland law, without regard to its conflicts of laws provisions, and venue for any action shall be in Baltimore County, Maryland. In the event that any one or more of the provisions of this Agreement shall for any reason be held to be invalid, illegal or unenforceable, the invalidity, illegality, or unenforceability shall not affect any other provision, and the Agreement shall be construed as though it had not contained the invalid, illegal, or unenforceable provision.

IN WITNESS WHEREOF, the parties have executed this Agreement, effective as of the date first stated above.

Witness:

Gloria Finley

Lenora Booth

Lenora J. Booth

Date: Oct. 1, 2008

Witness:

Gloria Finley

Erickson Retirement Communities, LLC

By: Bruce R. Grindrod, Jr.
Bruce R. Grindrod, Jr., President of
Developing Enterprises

Date: 10/1/08

SEPARATION AGREEMENT AND RELEASE

EXHIBIT A

2005 Plan: 2000 Units originally issued
 ¼ redeemed in 2006
 ¼ redeemed in 2007
 ¼ redeemed in 2008
 Final ¼ to be redeemed in the summer of 2009, not later than July 31,
 2009

2007 Plan: 500 Units to be redeemed in 2010 (currently valued at \$170/Unit)
 500 Units to be redeemed in 2011 (currently valued at \$70/Unit)
 500 Units to be redeemed in 2012 (currently valued at \$0/Unit)

September 15, 2009

Mr. Rick Grindrod, President
Erickson Retirement Communities
701 Maiden Choice Lane
Catonsville, MD 21228

Dear Rick,

Re: Retirement Agreement

In April of 1987 I entered into part-time employment with Erickson and in April 1988 my status became full time with Erickson. Over the next 21 years, I supported the corporation as it grew from one campus in Catonsville, MD to campuses across the country.

Throughout the years, I declined other opportunities because of my belief in the mission of the company and the relationships which I had formed. Although I had received a verbal commitment from John Erickson that as long as I wanted to work for the company that I would have a job, I made the decision in 2008 to resign from my full-time employment with the corporation effective November 30, 2009. This was done not because of any change in my belief in the company or the relationships that I had formed within the company but simply based on timing. After years of commitment, dedication and extremely long hours, I thought it was in the best interest of the company and for me personally to resign and step aside.

If you recall my full-time career started in Dining Services in 1988. At the time there were serious problems, serious enough to be warned by the Health Department that the kitchen would be closed if there were no immediate improvements. In 1993, I worked as Health Services Director, once again at a time when there were serious problems--threats of unionization, the opening of the new section of the Care Center in addition to tackling serious deficiencies from the Health Department survey. In both of these positions, the company was spared serious state and county violations and we were able to do a complete turnaround in short periods of time.

In 1996, I moved to Oak Crest where we gained the reputation of being the fastest growing community in the nation and the model for future sites. Further funding resulted because of the extremely high Resident, Staff satisfaction and overall results. Subsequently, Oak Crest became the model for Erickson's future sites. After 4 years, we successfully opened Riderwood without problems and again at record speed!

From Riderwood, I came to corporate to again serve as a problem solver by taking the lead for the Human Resources Department. In Human Resources we established as our major goal the improvement of employee satisfaction and being listed as a Top 100 Company within five years. We more than achieved this goal with much benefit to the company. The next year I worked with New Ventures and contributed to the opening of Point Lookout while working with a great team of Erickson employees.

In October 2008, the decision was made to slow down; I had given so much for so long to the company that I loved and thought it was time to spend time with my family and let the new leaders, younger leaders of Erickson further their careers and advance within the company. In addition the company was excited about the financial partnership it was about to enter.

At the time of my decision, a separation agreement was entered into on the 30th day of September 2008 between me and Erickson Retirement Communities. We both agreed that it would be mutually beneficial to both parties to sever the employment relationship pursuant to the terms and conditions of the signed agreement. I agreed to resign after negotiating my severance that included a prorated bonus, one year severance, the payout of my GPP (which was in excess of \$550,000) and other benefits. I reviewed the plan with my financial advisor and attorney and we all felt it was just and fair based upon my years of service to the company and, professional accomplishments and Erickson's future plans. This was as the company was about to have a new financial partner allowing Erickson to move full speed ahead. This agreement was entered into voluntarily with full understanding of the terms of the agreement by both parties and with the approval of both you and John Erickson.

I have complied with the agreement 110% and worked far beyond the hours required in the new position--coaching and mentoring staff that has lost their jobs, not because it was my duty, but in the interest of the company as people who knew and trusted me were laid off. In reality I have spent the year working as usual. I represented Erickson on Boards and successfully led the CRISP subcommittee.

I am disheartened that the company, to which I devoted my career large portion of my life, at many times sacrificing time with my family for the sake of residents and staff, the company that I helped to grow and expand is indirectly communicating that the agreement into which we entered may be swept away with the exception of one year of severance pay. After 21 years of loyalty and service I would receive one year of severance pay, the same package which was commonly awarded to staff members that were fired for their lack of performance and contributions to Erickson.

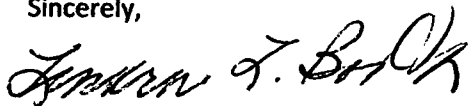
I am not seeking full restitution; however, I am requesting \$240,000, this is equivalent to one full year of salary plus the balance of the PenCal account thereby allowing some degree of equity for

the loss of retirement income exceeding \$665, 000, and with the understanding that if by some chance the GPP is paid at a later date, my payouts would be offset by the one year of severance which I will receive.

This situation has definitely created a hardship for me as I never doubted that Erickson would not honor the agreement. The expectation of receipt of the monetary amount from my GPP account was certainly a big factor in my decision to retire. It has also been hurtful given the fact that other top executives who made far fewer contributions received substantial payouts and benefited extremely well from their short employment with Erickson as they left. I feel this request is in keeping with my concern for Erickson and is not unrealistic. I am only requesting a minor portion of what was agreed to as a part of my major life changing decision to leave Erickson.

I would appreciate your immediate attention to this matter and look to hear from you soon.

Sincerely,

A handwritten signature in cursive script, appearing to read "Lenora L. Booth".

Lenora L. Booth

Lenora L. Booth
2641 Golf Island Road
Ellicott City, MD 21042

December 26, 2009

BMC Group Inc
Attn: Erickson Retirement Communities, LLC Claims Processing
PO BOX 3020
Chanhassen, MN 55317-3020

Dear Sir or Madam:

My name is Lenora L. Booth, and I am a former employee of Erickson Retirement, LLC and my social security number/ employee identification number is ***-**-5421. Enclosed please find my B10 claim form and supporting documentation for case number 09-37010, *in re: Erickson Retirement Communities, LLC et al.* The claim arises based on a Separation Agreement and Release dated the 30th of September 2008, which was then executed and endorsed by myself and Bruce "Rick" Grindrod, Jr. ,the then President of Developing Enterprises, on the 1st of October 2008. In addition I am enclosing a copy of a letter which I sent to Bruce "Rick" Grindrod, Jr. on the 15th of September 2009, detailing the reasons for my separation from the company and memorializing our past conversations regarding both my intentions and those of the company regarding my accounts, including the Growth Participation Plan (GPP), PenCal, prorated performance bonus, and 401k matching upon my separation from the company. I am disheartened that the agreement that was entered into by myself and my employer of over twenty-one years has to date not been honored as agreed and as a result I am forced to file this claim with the Dallas Division of the Bankruptcy Court for the Northern District of Texas. If there are any questions regarding my claim I can be contacted at the above the address. Thank you for your assistance in this matter.

Sincerely,

Lenora L. Booth

CC: George F. McElreath and Nancy Sue Resnick