
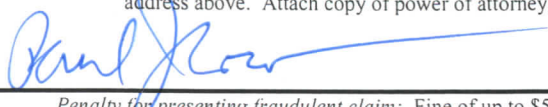



UNITED STATES BANKRUPTCY COURT Northern District of Texas (Dallas Division)		PROOF OF CLAIM
Name of Debtor:		Case Number:
NOTE: This form should not be used to make a claim for an administrative expense arising after the commencement of the case. A request for payment of an administrative expense may 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):		<div style="text-align: center; font-size: 2em; font-weight: bold; color: red;">FILED</div> <div style="text-align: center; font-weight: bold;">FEB 11 2010</div> <div style="text-align: center; font-weight: bold;">TAWANA C. MARSHALL, CLERK U.S. BANKRUPTCY COURT NORTHERN DISTRICT OF TEXAS</div>
Name and address where notices should be sent:  20835749007594 COCO, PAUL 8 MICHELE DR SALISBURY, MA 01952		
Name and address where payment should be sent (if different from above): Telephone number: <u>978.834.6709 (HOME) 617.584.8388 (CELL)</u>		<input type="checkbox"/> 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. <input type="checkbox"/> Check this box if you are the debtor or trustee in this case.
1. Amount of Claim as of Date Case Filed: \$ <u>20,000.00</u> 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. <input type="checkbox"/> 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.		
2. Basis for Claim: _____ (See instruction #2 on reverse side.)		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. <input type="checkbox"/> Domestic support obligations under 11 U.S.C. §507(a)(1)(A) or (a)(1)(B). <input type="checkbox"/> 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). <input type="checkbox"/> Contributions to an employee benefit plan – 11 U.S.C. §507 (a)(5). <input type="checkbox"/> 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). <input type="checkbox"/> Taxes or penalties owed to governmental units – 11 U.S.C. §507 (a)(8). <input type="checkbox"/> Other – Specify applicable paragraph of 11 U.S.C. §507 (a)(____). Amount entitled to priority: \$ _____
3. Last four digits of any number by which creditor identifies debtor: _____ 3a. Debtor may have scheduled account as: _____ (See instruction #3a on reverse side.)		
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. Nature of property or right of setoff: <input type="checkbox"/> Real Estate <input type="checkbox"/> Motor Vehicle <input type="checkbox"/> Other Describe: _____ 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: \$ _____		
6. Credits: The amount of all payments on this claim has been credited for the purpose of making this proof of claim.		
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.) DO NOT SEND ORIGINAL DOCUMENTS. ATTACHED DOCUMENTS MAY BE DESTROYED AFTER SCANNING. If the documents are not available, please explain: _____		<div style="text-align: center; font-weight: bold; font-size: 1.5em;">RECEIVED</div> <div style="text-align: center; font-weight: bold; font-size: 1.5em;">MAR 02 2010</div> <div style="text-align: center; font-weight: bold; font-size: 1.5em;">BMC GROUP</div>
Date: <u>2/8/10</u> 		
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  01735

8 February 2010

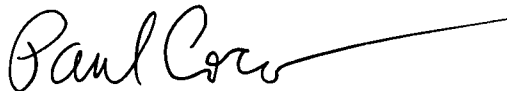
United States Bankruptcy Court
1100 Commerce Street
Dallas, TX 75242

Dear Officer of the Court;

I respectfully submit the following to support my request for the full claim as stated on the claim document...

In January of 2009, I was part of a Reduction in Force at Erickson Retirement Communities and my last day worked with Erickson was January 16, 2009. I had been employed with the organization for 10 & ½ years. Being laid off from a company I loved was bad enough, and it happened at the worst possible time as I was in the middle of an Erickson approved company relocation. In May of 2008 I had accepted the Director of Operations position at an Erickson property in Maine- uprooted and relocated my family to the home we purchased in Belfast. When laid off 9 months later, knowing I had more professional contacts and a better chance of finding employment quickly- with my pregnant wife Jennifer, daughter Emma (3) and son Michael (1) we returned to Massachusetts to the house we were never able to sell due to poor market conditions and the economy. I was left with two homes causing duplicate mortgages, utilities, taxes, and insurance which left my family in an extreme hardship situation that completely drained all our savings as well as my 401k. The house finally sold on November 13, 2009 but those 11 months of these duplicate costs may have been supported with the relocation plan had I still been employed by Erickson. Receiving the full GPP payout will quickly bring my family the financial relief and the ability to meet all our basic financial obligations. According to my records, in addition to the one noted claim schedule of \$55,269.60 there should be an additional claim of \$20,000 which is from the new GPP plan of which I was vested in. I deeply appreciate your consideration in this time of need...

Sincerely,

A handwritten signature in black ink that reads "Paul Coco". The signature is fluid and cursive, with a long horizontal line extending from the end of the name.

Paul Coco
8 Michele Drive
Salisbury, MA 01952
978-834-6709



Dear Paul J Coco:

As you are now aware, big changes are ahead for the Growth Participation Plan (GPP). As we prepare for the new vision of the Plan, we prepare for the payout of the existing unit grant values.

With the establishment of the new unit value of \$1201.74, your total unit grant(s) is now worth \$173078.4. As announced, we will begin to pay out your unit grant in the existing plan over a four year period starting on May 18. The initial installment on your payout is \$43269.6. The remaining unit grant will earn interest at a rate of 9% until the final installment, scheduled to be paid in 2009.

As a vested employee, the payout will be sent to you as ordinary payroll checks are. One difference is that this will be a live check, even if your regular paycheck is normally deposited directly with your bank.

If you have any questions about your vesting date or the value of your unit grant, please contact your Human Resources department.

All funds paid out of the GPP are paid as ordinary earnings and will be taxed accordingly. We will be providing financial planning resources to help you plan how to invest the proceeds of the GPP. We will forward additional information in the coming weeks. Please remember that you have an hour of time with a financial advisor available through the Employee Help Line. Just call 1-888-300-0431 to arrange an appointment.

If you have any other questions regarding the GPP, please contact your Human Resources Department.

Sincerely,

The Plan Administrators



June 15, 2007
Paul J Coco
BROOK

Dear Paul,

As you are aware, the Growth Participation Plan (GPP) has undergone significant changes over the past year. We have now completed all of the necessary updates to the Plan document and collateral materials, and we are able to provide information on your personal position in the plan.

New Plan Information:

As we announced last year, we have converted the GPP from a long-term deferred compensation plan to a more current annual profit sharing arrangement. To that end, we enclose the amended GPP Plan Document along with an overview of the changes made to the plan and your grant of units. These changes are consistent with the communication received last year.

As an existing participant in the original Plan structure, you are eligible to receive the total New Participation Unit grant associated with your position in the new Plan. The total unit grant is 200 units. This grant will be issued in four installments of 50 units each over a four year period. The installments are similar to "rolling" options, and each will have a four year growth cycle. Any value that has accumulated over the four years for the installment will be paid per the terms of the restated Plan document.

The first installment of your grant of the New Participation Units was issued in 2006 and is deemed to have increased in value \$100 per New Participation Unit. The grant issuance is evidenced by this letter. We will not be issuing separate certificates.

Original Plan Balance:

In addition to new grants under the amended plan, we are in the second year of paying out your balance accrued under the original GPP through December 31, 2005. As was discussed at the annual meeting, we are a growth company and continue to utilize our capital to start new campuses (Tall Grass Creek in Kansas City and Ashby Ponds in Virginia) in addition to supporting existing communities. We are completing the refinancing of our capital in multiple campuses and will be positioned to both fund the second installment by the end of July as well as starting our 20th community, Hickory Chase, in Ohio this fall.

★ Your balance in the original plan was fixed in 2006, with one quarter paid last year. The remaining balance is earning 9% and the second payment is targeted to be paid by the end of July. Your balance is \$129,808.80 and the targeted 2007 installment, plus interest, is \$43,269.60. If you are not yet vested, the installment will be directed to the account at PenCal. As a reminder, the original Plan vesting remains at 5 years of service.

We will update you on this schedule as we progress through the summer. Thanks for all your support and commitment.

If you have any other questions regarding the GPP, please contact your Human Resources Department.

Sincerely,

The Plan Administrators

GPP Explanation

You are assigned a certain number of GPP units based on your level (manager, director, etc.)
For the first 4 years, you accumulate 25% of units each year
Beginning in your 5th year, you are vested, and begin to receive annual payouts on a 4-year rolling basis.
Payout is based on the difference in share value over the 4-year period.

Manager (100 units)

100 units awarded, increase by \$100/year for 4 years
After 4 years, have a \$400 accumulated value per share
Once vested (after 4 years), 25 units are cashed in each year
Payout is 25 units x \$400 value per share = \$10,000

Director (200 units)

200 units awarded, increase by \$100/year for 4 years
After 4 years, have a \$400 accumulated value per share
Once vested (after 4 years), 50 units are cashed in each year
Payout is 50 units x \$400 value per share = \$20,000

Sr. Director (450 units)

450 units awarded, increase by \$100/year for 4 years
After 4 years, have a \$400 accumulated value per share
Once vested (after 4 years), 112.5 units are cashed in each year
Payout is 112.5 units x \$400 value per share = \$45,000

TO: Paul Coco
DATE: January 12, 2009
RE: Separation Agreement and Release

Erickson Retirement Communities, LLC ("Erickson") must regretfully initiate a reduction in force. This agreement (the "Agreement") sets forth the terms and conditions for your separation from employment.

1. You will be separated as of the close of business on Friday, January 16, 2009 (the "Effective Date"). However, you should not report back to the office after you leave today. You will receive a final paycheck for your wages, minus taxes and withholdings, through the Effective Date at your regular 2008 salary level, on the next regular Erickson pay-date. Your current benefits package remains in effect through the end of January 2009 with the standard payroll deduction. You will also receive a check for any accrued, unused PTO hours, minus taxes and withholdings, you have as of the Effective Date on the next regular paydate.

2. If you sign this Agreement and do not revoke your signature, we will also provide the benefits listed below. You will not be entitled to any other compensation, payments or benefits; however, this doesn't affect your vested retirement benefits nor any rights you have to continue your health insurance under COBRA.

- 20 weeks of separation pay at your 2008 salary level, minus taxes and withholdings. The separation pay will be made in bi-weekly payments in accordance with Erickson's regular pay dates. These payments will start on the first pay period following eight (8) days after your signature of this Agreement. However, if you accept another position with Erickson or its affiliates or communities during the separation pay period, then your separation pay will end as of the start date for your new position.
- You will be eligible to participate in any group outplacement services offered by Erickson through its contractor(s) as part of the January 2009 reduction-in-force program. Available outplacement services may vary depending on your home state and the office where you normally reported.
- If you currently participate in our benefits plans, beginning February 1, 2009, you may elect to continue your current health benefits package under COBRA. If you make this election, Erickson will continue to pay its current portion of the cost of your current health benefits under COBRA during the separation pay period, and you will be responsible for the remainder of the premium under COBRA. After the final separation paycheck is remitted to you, you will be responsible for the entire premium.
- If you participate in the 401k plan, you remain vested in the employer's matching contributions towards your 401k plan per the information which is included in your separation packet. Per the terms of the plan, you cannot make any further contributions during the separation pay period.
- If you participate and are currently vested in Growth Participation Plan (GPP) Units under the terms of the old 2005 plan and/ or the terms of the 2006 plan, your vesting remains the same as of the Effective Date. All payments of GPP value will be made per the terms of the plans and may be delayed or deferred per the terms of the plans.
- If you have an outstanding employee assistance loan, we will continue to deduct the amounts you agreed upon from your final paycheck and separation paychecks. If there is still an outstanding balance after the final paycheck or separation pay is ended, we will forgive the outstanding balance.
- If you have a current agreement for tuition reimbursement, we will continue the reimbursement per the terms of our tuition reimbursement policy for this current semester only.
- Erickson's discretionary bonus program depends upon by company performance for the year. Based on 2008 company performance, Erickson will likely not pay 2008 performance bonuses. However, if Erickson determines to pay a 2008 performance bonus to its current employees in 2009, then you will also be eligible to receive the 2008 performance bonus if and when paid.
- If you are uncertain about your participation or vesting level in the benefits or plans named above, you may contact the HR Representative at the number provided in your separation packet.



December 4, 2009

Dear Fellow GPP Participant,

As you may know, some of Erickson's compensation programs and processes have been impacted as a result of our recent filing for bankruptcy and restructuring under Chapter 11. The Growth Participation Plan is among those programs affected by the filing.

Due to the complexity of Erickson's structure and financing, there are many secured creditors of the company that have priority claim to available funds in the bankruptcy proceedings. Any vested units in the Plan that are held by employees are considered unsecured debt. Unfortunately, it is unlikely that there will be significant remaining funds from the bankruptcy estate to make payments under the Plan to participants after the secured debt or other priority claimants are satisfied. In addition, it is not likely that the eventual buyer of the company will agree to assume the GPP liabilities.

Given this probable outcome, we have provided the Court with information pertaining to the Plan and the associated outstanding balances for units held by vested participants as of November 23, 2009. As a plan participant, you will be contacted in the near future by the Bankruptcy Court through the BMC group, a restructuring service provider. Their notice will provide the outstanding balance that the company has in your name, and your options for filing a claim with the Court. The balances will include any units not redeemed under both the old and new versions of the GPP, or any deferred payments held in accounts with PenCal.

You will not be required to file a claim; it will be your choice whether or not to do so. In order to file a claim you will need the relevant information provided by BMC. There will be a time limit to submit the claim, so please be aware of the deadline if you plan on filing. Filing a claim does not guarantee that you will receive any funds.

As company growth was impacted by the economy, the value of the Plan was impacted as well. We regret the outcome for plan participants but want to make sure that everyone is advised.

Sincerely,

A handwritten signature in dark ink, appearing to read "Gary Cole", is written over a horizontal line.

Gary Cole
Vice President of Human Resources Operations
Erickson Retirement Communities

GPP Q & A

- Is the GPP a “qualified plan” or a “non-qualified plan”?
 - **The GPP is a “non-qualified” plan.**
- Do we elect a beneficiary for the GPP distributions?
 - **Since the GPP is a “non-qualified” plan, there is no beneficiary designation.**
- How are the first unit installments pro-rated for newly hired or promoted employees?
 - **Going forward, the first unit installment will be pro-rated based on the quarter in which the hire or promotion takes place. If an employee is promoted to an eligible manager level position (eligible for 100 total units) in the first quarter they will receive 100% of their first installment (25 units); 75% if it is the second quarter (18.75units), 50% if it is the third quarter (12.5 units) and 25% if it is the fourth quarter (6.25 units).**
- Will 401k/403b be taken out of GPP Payouts?
 - **The GPP is paid as ordinary earnings. If you are a 403b or 401k participants, deductions will be made as you have instructed for all other earnings.**
- Can the money be rolled over to some kind of investment account?
 - **The GPP is a “non-qualified” plan and is paid out as ordinary earnings. It cannot be rolled over into an IRA or similar account.**
- Is there any way to reduce the tax impact?
 - **Generally, maximize your contribution to the 401k or 403b. Remember that you have an hour of time with a financial advisor available through the Employee Help Line. Just call 1-888-300-0431 to arrange an appointment.**