
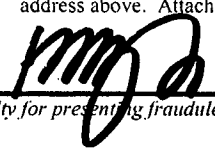



UNITED STATES BANKRUPTCY COURT Northern District of Texas (Dallas Division)		PROOF OF CLAIM
Name of Debtor: ERICKSON RETIREMENT COMMUNITIES, LLC		Case Number: 09-37010
NOTE: This form should not be used to make a claim for an administrative expense arising after the commencement of the case. A request 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): BRENDAN T. MCHUGH		<input type="checkbox"/> Check this box to indicate that this claim amends a previously filed claim.
Name and address where notices should be sent:  20835749002836 MCHUGH, BRENDAN T 80 MINNESINK ROAD MANASQUAN, NJ 08736		Court Claim Number: _____ (If known)
RECEIVED MAR 04 2010 BMC GROUP		Filed on: _____
Name and address where payment should be sent (if different from above): (SAME)		<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.
Telephone number: 732-612-3334		<input checked="" type="checkbox"/> Check this box if you are the debtor or trustee in this case.
1. Amount of Claim as of Date Case Filed: \$ 25,500.00 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.		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: Growth Participation Plan (See instruction #2 on reverse side.)		<input type="checkbox"/> 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: — 3a. Debtor may have scheduled account as: — (See instruction #3a on reverse side.)		<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).
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: \$ _____		<input checked="" 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)(____).
6. Credits: The amount of all payments on this claim has been credited for the purpose of making this proof of claim.		Amount entitled to priority: \$ 25,500.00
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:		*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: 2/28/10	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  01780



August, 2008

Brendan McHugh
80 Minnesink Rd
Manasquan, NJ 08736-3515

Re: Erickson Growth Participation Plan

We are pleased to provide this informational packet summarizing your units held in the Erickson GPP as of August 2008. The information below summarizes units granted to you since 2006. Units being granted in 2008 have been pro-rated for those who became newly eligible or received an increased Unit Level during 2007. Updated values are announced annually to those who remain eligible participants.

Please retain this statement with your important personal documents as a record of your account.

2008 GPP Statement

Units Granted In	Total Unit Level	Annual Unit Grant	Grant Value	Current Value	Estimated to Mature and be paid in
2006	100	25	\$170	\$4,250.00	2010
2007	100	25	\$ 70	\$1,750.00	2011
2008	100	25	\$ 0	\$0.00	2012
Total				\$6,000.00	

Please note that participants in the GPP prior to 12/31/2005 will receive the final annual payment in 2009. Future GPP informational events will be held later this year. In the meantime, if you have any questions about your GPP account, please contact Mary Ann Lambrechts, 443-883-4829 (600-4829) or at maryann.lambrechts@erickson.com.

TO: Brendan McHugh
DATE: January 5, 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 9, 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, 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.

- 6 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 the first pay period after your execution 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 vesting schedule 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 2007 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 and/or vesting level in the benefits plan, 401k plan, or GPP plans, you should contact the HR Representative at the number provided in your separation packet.

3. You agree to return promptly all of Erickson's property including, but not limited to, your ID card, keys, parking pass, laptop, blackberry/ phone, equipment, and any documents or files concerning residents, employees, services, software, and business information for Erickson, its subsidiaries, or its managed retirement communities. If you wish to keep your company phone, you will be required to transfer the account to your name and will be responsible for all charges after the Effective Date. You agree to be reasonably available for discussions with your manager about transitioning your work. You agree to refrain from disclosing any of Erickson's trade secrets, business practices, proprietary information or confidential information which you acquired during the course of your employment with Erickson. You also agree to keep the terms and the existence of this Agreement confidential and not to disclose this Agreement to any other person or entity, except for your attorney, your tax advisor, or your spouse, as applicable, unless otherwise required by law.

4. You agree not to communicate any derogatory or defamatory information concerning Erickson, including its directors, officers, and employees to any other person or entity. Erickson agrees not to communicate any derogatory or defamatory information concerning you to any other person or entity. Erickson also agrees that it will not contest your application for unemployment compensation benefits.

5. In consideration for the benefits listed in Section 2 of this Agreement, you hereby release Erickson, its owners, directors, officers, employees, agents, managed retirement communities, insurers, employee benefit plans and fiduciaries/ administrators of such plans, and all related or affiliated persons or entities (collectively the "Released Parties") of and from any and all known and unknown liability, claims, causes, demands, attorneys fees, damages, and rights, including, but not limited to, any claims which you have or may have arising out of or related to your employment, including the separation of your 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 and any State of New Jersey equal employment laws or non-discrimination laws, the Worker Adjustment and Retraining Notification Act ("WARN"), the Americans with Disabilities Act of 1990, Sections 1981 through 1988 of Title 42 of the United States Code, the Employee Retirement Income Security Act of 1974 ("ERISA"), and all other employment laws, claims for wrongful discharge, claims of unfair dealing, claims in connection with any employment contract, and claims for personal injury, emotional distress, pain and suffering, compensatory or punitive damages.

6. You agree that you have 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, or other tribunal. You agree not to seek or request damages in connection with any other claim, demand or charge against the Released Parties. This Agreement is not intended to interfere with any right you have to file a charge with any federal, state or local governmental agency, except that you agree that by entering into this Agreement, you waive any claim to recovery of any remedy beyond what is provided in this Agreement. You also agree that you have not been denied any leave requested under the Family and Medical Leave Act or any applicable state/ local leave laws. This paragraph does not preclude you from bringing an action to enforce the terms of this Agreement or to challenge the validity of this Agreement.

7. You agree that you had the opportunity to report to Erickson any violations of the Erickson Corporate Compliance Plan during your employment and you further agree that you have no knowledge of any violations of the Plan except as otherwise reported. You agree that your obligations under this Agreement are material obligations on which Erickson is reasonably relying. If you breach your obligations under this Agreement, Erickson may immediately suspend or terminate its own obligations under the Agreement, including but not limited to, our obligations to pay any and all compensation or other amounts

listed in Section 2 of this Agreement or pursue an action to recover any such compensation paid or enforce performance of this Agreement.

8. This Agreement shall not be in any way construed as an admission by Erickson, owners, directors, officers, employees, or agents of any liability, wrongdoing, discrimination, fault, or breach.

9. You have the right to consult with an attorney concerning this Agreement, if you believe that is appropriate. This offer will be held open for no more than 14 days from January 9, 2009 after which time the offer will automatically expire.

10. Your signature confirms that you are entering into this Agreement voluntarily, you understand all of its terms, and that you are not relying upon any other representations or agreements of Erickson except for those expressly set forth in this Agreement. Once signed, this Agreement will set forth the entire agreement between Erickson and you and supersedes any previous agreements or discussions concerning your employment or the termination thereof, except as expressly noted above. No changes in this Agreement will be valid unless in writing and signed by both parties. In the event that any one or more of the provisions of this Agreement other than the general release language in Section 5 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.

11. Any need for interpretation or enforcement of this Agreement will be in accordance with Maryland law, without regard to its conflict of laws provisions. Erickson and you agree that any action or proceeding relating to the enforcement of this Agreement will only be brought in the courts for Baltimore County, Maryland or the U.S. District Court for the State of Maryland. Erickson and you further agree that any such action or proceeding will be heard without a jury or an advisory jury. You and Erickson waive your respective rights to bring any such action or proceeding in any other jurisdiction, or to have any such action or proceeding heard before a jury or an advisory jury.

PLEASE READ THIS AGREEMENT CAREFULLY. IT CONTAINS A RELEASE OF ALL KNOWN AND UNKNOWN CLAIMS AS OF THE DATE OF THIS AGREEMENT. BY SIGNING BELOW, YOU ACKNOWLEDGE THAT YOU HAVE READ THIS AGREEMENT, UNDERSTAND IT, AND ARE VOLUNTARILY ENTERING INTO IT.

Witness:

Alois J. Barchelt

[Signature]
Employee Signature
Brendan McHugh
Date: 1/7/09

Witness:

[Signature]

Erickson Retirement Communities, LLC
Signed by: *[Signature]*
Printed Name: Vanessa D. Smith
Date: 1/7/09