



November 12, 2019

NOTICE TO THE HOLDERS OF TARRANT COUNTY CULTURAL EDUCATION FACILITIES FINANCE CORPORATION (THE STAYTON AT MUSEUM WAY PROJECT) RETIREMENT FACILITY REVENUE BONDS, SERIES 2009A and 2009B (the “Bonds”)

CUSIP NOS.:¹

Table with 4 columns: Series, Cusip, Interest Rate, Maturity or Rate Change Date. Rows include SERIES 2009A (CY1, CZ8, DA2, CW5, CX3) and SERIES 2009B (DB0) with their respective interest rates and maturity dates.

THIS NOTICE CONTAINS IMPORTANT INFORMATION THAT IS OF INTEREST TO THE REGISTERED AND BENEFICIAL OWNERS OF THE BONDS. IF YOU RECEIVE THIS NOTICE AND ARE ACTING FOR A BENEFICIAL OWNER, PLEASE SEND THIS NOTICE TO THE BENEFICIAL OWNER(S) IMMEDIATELY.

I. COMMENCEMENT OF CHAPTER 11 CASE

On November 5, 2019 (the “Petition Date”), Tarrant County Senior Living Center, Inc. d/b/a The Stayton at Museum Way (the “Debtor”) commenced a chapter 11 case (Case No. 19-33756 (SGJ)) (the “Chapter 11 Case”) by filing a voluntary petition under chapter 11 of title 11 of the United States Code (the “Bankruptcy Code”) with the United States Bankruptcy Court for the Northern District of Texas (the “Bankruptcy Court”). The Chapter 11 Case is a “pre-packaged case” and the Debtor filed with overwhelming support of the only affected creditors.

On the Petition Date, the Debtor also filed the following motions requesting certain “first day” relief (collectively, the “First Day Motions”):

- 1. Motion of the Debtor for Entry of an Order (I) Extending Time for Debtor to File Its Schedules and Statements and (II) Permanently Waiving Same Upon Confirmation of Debtor’s Prepackaged Plan of Reorganization [Docket No. 4];

¹ No representation is made as to the correctness of the CUSIP numbers, which are included solely for the convenience of the holders of the Bonds.

2. Debtor's Application for Authorization to Employ and Retain Epiq Corporate Restructuring, LLC, as Notice, Claims, and Solicitation Agent, Effective *Nunc Pro Tunc* to the Petition Date [Docket No. 5];
3. Motion of the Debtor for Entry of an Order Authorizing the Implementation of Procedures to Maintain and Protect Confidential Resident and Patient Information [Docket No. 6];
4. Motion of the Debtor for Entry of Interim and Final Orders Authorizing (I) Continued Use of Existing Cash Management System, (II) Maintenance of Existing Bank Accounts, (III) Continued Use of Existing Business Forms, and (IV) An Extension of Time to Comply with 11 U.S.C. § 345(b) Deposit and Investment Requirements [Docket No. 7];
5. Motion of the Debtor for Entry of an Order (I) Authorizing the Debtor to (A) Escrow Postpetition Entrance Fees in Its Existing Entrance Fee Escrow Account and (B) Refund Postpetition Entrance Fees Under Certain Circumstances During the Chapter 11 Case; and (II) Granting Related Relief [Docket No. 8];
6. Motion of the Debtor for Interim and Final Orders Authorizing (I) the Debtor to Pay Certain Prepetition Salaries, Wages, and Compensation, (II) the Continuation of Employee Benefit Programs and (III) Directing Banks to Honor and Process Checks and Transfers Related to Such Employee Obligations [Docket No. 9];
7. Motion of the Debtor for Entry of Interim and Final Orders Authorizing the Debtor to Pay Certain Prepetition Taxes [Docket No. 10];
8. Motion of the Debtor for Entry of Interim and Final Orders (I) Prohibiting Utility Providers from Altering, Refusing or Discontinuing Service, (II) Deeming the Utility Providers Adequately Assured of Future Performance, and (III) Establishing Procedures for Determining Requests for Additional Adequate Assurance [Docket No. 11];
9. Motion of the Debtor for Entry of Interim and Final Orders (I) Authorizing the Debtor to (A) Maintain Existing Insurance Policies and Pay All Insurance Obligations Arising Thereunder and (B) Renew, Revise, Extend, Supplement, Change or Enter Into New Insurance Policies, and (II) Granting Certain Related Relief [Docket No. 12];
10. Motion of the Debtor for Entry of Interim and Final Orders Authorizing, But Not Directing, the Debtor to Continue Its Prepetition Business Operations, Policies, and Practices and Pay Related Claims in the Ordinary Course of Business on a Postpetition Basis [Docket No. 13];
11. Motion of the Debtor for Interim and Final Orders (I) Authorizing the Debtor to Use the Cash Collateral of UMB Bank, N.A., as Trustee; (II) Providing UMB Bank,

N.A., as Trustee, Adequate Protection; and (III) Modifying the Automatic Stay [Docket No. 14]; and

12. Debtor's Motion for Entry of an Order (I) Scheduling Combined Hearing on (A) Adequacy of Disclosure Statement and (B) Confirmation of Prepackaged Plan; (II) Fixing Deadline to Object to Disclosure Statement and Prepackaged Plan; (III) Approving Prepetition Solicitation Procedures and Form and Manner of Notice of Commencement, Combined Hearing, and Objection Deadline; (IV) Conditionally Directing the United States Trustee Not To Convene Section 341(A) Meeting of Creditors; and (V) Granting Related Relief [Docket No. 15].

On November 7, 2019, the Bankruptcy Court conducted a hearing on the First Day Motions and granted certain interim relief related thereto for the benefit of the Debtor, its estate and creditors including, among other relief, authorizing the Debtor's use of the cash collateral of UMB Bank, N.A., as Bond Trustee. The Bankruptcy Court scheduled a final hearing on certain of the First Day Motions on **November 26, 2019 at 9:30 a.m. (prevailing Central Time)**. Any objections or responses to entry of final orders on the First Day Motions must be filed with the Bankruptcy Court and served on the parties indicated in the applicable interim orders on the First Day Motions so as to be received no later than **November 21, 2019 at 4:00 p.m. (prevailing Central Time)**.

Additionally, on the Petition Date, the Debtor filed the *Disclosure Statement for the Debtor's Prepackaged Plan of Reorganization Pursuant to Chapter 11 of the Bankruptcy Code* [Docket No. 18] (as amended, modified, or supplemented from time to time, the "Disclosure Statement") and the *Debtor's Prepackaged Plan of Reorganization Pursuant to Chapter 11 of the Bankruptcy Code* [Docket No. 17] (as amended, modified, or supplemented from time to time, the "Plan"),² pursuant to sections 1125 and 1126(b) of the Bankruptcy Code. Pursuant to the Plan, the Debtor seeks to, among other things, implement a refinancing of the Bonds.

A hearing to consider the adequacy of the Disclosure Statement and confirmation of the Plan will be held on **December 19, 2019 at 9:30 a.m. (prevailing Central Time)**. Any objections to the Disclosure Statement and/or Plan must be filed with the Bankruptcy Court and served so as to be actually received no later than **December 13, 2019 at 4:00 p.m. (prevailing Central Time)**, by those parties who have filed a notice of appearance in the Debtor's Chapter 11 Case as well as the following parties: (i) counsel for the Debtor, DLA Piper LLP (US), 1251 Avenue of the Americas, New York, New York 10020, Attn: Thomas R. Califano (thomas.califano@dlapiper.com), DLA Piper LLP (US), 1900 North Pearl Street, Suite 2200, Dallas, Texas 75201, Andrew B. Zollinger (andrew.zollinger@dlapiper.com) and DLA Piper LLP (US), 200 South Biscayne Boulevard, Suite 2500, Miami, Florida 33131, Attn: Rachel Nanes (rachel.nanes@dlapiper.com); (ii) the Debtor's Chief Restructuring Officer and restructuring advisor, Ankura Consulting Group LLC, 15601 Dallas Parkway, Suite 200, Dallas, Texas 75001, Attn: Louis E. Robichaux IV (louis.robichaux@ankura.com) and Charles Pease (charles.pease@ankura.com); (iii) counsel for UMB Bank, N.A., Mintz, Levin, Cohn, Ferris, Glovsky and Popeo, P.C., One Financial Center, Boston, Massachusetts 02111, Attn: Daniel Bleck (dbleck@mintz.com) and Charles W. Azano (cwazano@mintz.com); and (iv) the Office of

² All capitalized terms not otherwise defined herein shall have the meanings ascribed to them in the Plan.

the United States Trustee, 1100 Commerce St, Room 976, Dallas, Texas 75242-1699, Attn: Stephen McKitt (Stephen.McKitt@usdoj.gov).

II. REQUEST FOR ADDITIONAL INFORMATION

Copies of any and all documents filed in the Chapter 11 Case, including those described in this notice, are (i) on file with the Clerk of the Bankruptcy Court, 1100 Commerce St., Rm. 1254, Dallas, TX 75242-1496 where they are available for review between the hours of 8:00 a.m. to 5:00 p.m. (prevailing Central Time) and (ii) are available for inspection on the Bankruptcy Court's website at www.txs.uscourts.gov.

Additionally, the Debtor has engaged Epiq Corporate Restructuring, LLC (“Epiq”) as its notice, claims, and solicitation agent for the Chapter 11 Case. Interested parties may also obtain copies of any and all documents filed in the Chapter 11 Case, including those described in this notice, from Epiq by: (i) visiting <https://dm.epiq11.com/Tarrant>; (ii) contacting Epiq at (866) 897-6433 (toll free) or (646) 282-2500 (international); or (iii) emailing Epiq at tarrant@epiqglobal.com with a reference to “Tarrant” in the subject line.

III. NOTICE REGARDING INFORMATION

Bondholders should not rely on the Debtor as their sole source of information. The Debtor does not provide any recommendations or investment, tax or legal advice regarding the above matters, the Bonds or the Series 2019 Bonds.