

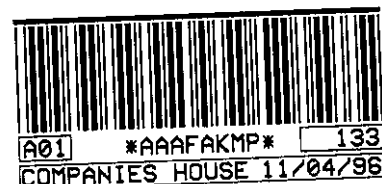
COMPANIES ACT 1985**Company Limited by Shares****SPECIAL RESOLUTIONS****of****MERIDIAN RETIREMENT HOMES LIMITED****Passed on 2nd April 1996**

At an Extraordinary General Meeting of the Company held on 2nd April 1996 the following Resolutions were each duly passed as Special Resolutions:-

SPECIAL RESOLUTIONS

1. THAT the provisions of the Memorandum of Association of the Company with respect to its Objects be and they are hereby altered by inserting after clause 3(V) the following new provisions as clause 3(W);

"(W) Except insofar as prohibited by Section 151 of the Companies Act 1985, to give, directly or indirectly, whether with or without the Company receiving any consideration or advantage and whether or not in furtherance of the attainment of any other object of the Company, financial assistance of any kind (including but not limited to financial assistance within the meaning of Section 152(1) of the Companies Act 1985) to any person or company in any manner on any terms and for any purposes whatsoever and in particular (without derogation from the generality of the foregoing) to give financial assistance for the purpose of or in connection with the purchase of or subscription for securities in the capital of the Company or any holding company, subsidiary or wholly-owned subsidiary (as defined in Section 736 of the Companies Act 1985) of the Company to be made by any person or company."
2. THAT the giving of financial assistance by the Company for the purpose of the proposed acquisition of the entire issued share capital of Meridian Property Group Limited, the Company's holding company, by R.C. (Holdings) Limited and taking the form described in the statutory declaration of even date herewith made by all the Company's Directors on Companies Form No 155(6)a (a copy of which together with the annexed report by the Company's auditors is available for inspection by the members at this meeting) be and is hereby unanimously approved and accordingly that the Company be and is hereby authorised to enter into (i) a Corporate Guarantee and Debenture in favour of The Governor and Company of the Bank of Scotland ("the Bank"); (ii) a Guarantee and a



Debenture in favour of 3i Group plc, TR Property Investment Trust PLC and Allied Trust Bank Limited ("the Lenders"); and (iii) an intercreditor deed ("the Intercreditor Deed") to be made between the Bank, the Investors 3i plc, R.C. (Holdings) Limited and each of its subsidiaries in the forms produced to the meeting or in such substantially similar forms as the Directors of the Company may in their discretion determine.

3. THAT the execution, delivery and performance of the Guarantee and Debenture in favour of the Bank the Intercreditor Deed and the Guarantee and Debenture in favour of the Lenders is in the best interests of and for the benefit of the Company, there is full and fair consideration to the Company for its obligations under the each such document and the approval for the Company to enter into each such document be and is hereby given, notwithstanding that the Company is giving financial assistance for the purposes of Sections 151 and 152 of the Companies Act 1985.
4. That Articles 7 and 15 of the Articles of Association of the Company shall not apply to shares registered in the name of 3i Group plc, TR Property Investment Trust PLC or Cescorp Capital Management Inc or their respective assigns or transferees



B Leader Cramer
Chairman of the Meeting