



QUALITY CARE HOMES LIMITED
(the "Company")

WRITTEN RESOLUTION

We, the undersigned, being the only member of the Company who (at the date of this Resolution) would be regarded for the purposes of section 381A of the Companies Act 1985 (the "Act") as entitled to attend and vote at a General Meeting of the Company, hereby agree in accordance with such section to the following Resolution (which would otherwise be required to be passed as a special resolution):-

THAT there be approved (A) the entry by the Company into those of the transactions, agreements and arrangements described in an Amended and Restated Operator Agreement annexed to and made effective by a Supplemental Agreement dated 16 December 1997 to each of which Agreements the parties are the undersigned, Principal Healthcare Finance Limited, Tamaris plc, Termrate Limited and Tamaris Healthcare Services Limited, to which the Company is expressed to be a party, and into any other transactions, agreements or arrangements connected therewith; (B) the entry by the Company into an Agreement for Lease to be made amongst the Company (1) Quality Care Property Limited No. 3255711 ("QCP") (2) and Principal Healthcare Finance Limited (3); (C) the entry by the Company into a Business Transfer Agreement to be made amongst the Company (1) Sandown Care Services Limited ("Sandown") (2) and Baneberry Healthcare Limited ("Baneberry") (3); (D) the entry by the Company into a Management Agreement to be made between the Company (1) and Sandown (2); (E) the entry by the Company into a Loan Agreement to be made between the Company (1) and Principal Healthcare PLC (2); (F) the entry by the Company into a Loan Agreement to be made between the Company (1) and Principal Healthcare Finance (UK) No. 1 Limited (2); (G) the entry by the Company into two agreements concerning the maintenance of BACS arrangements respectively amongst the Company (1), Termrate Limited (2) and Tamaris plc (3), and the Company (1) Sandown (2) and Baneberry (3); (H) the entry by the Company into any documents relating to the restructuring of its arrangements with Hambros Receivables Finance Limited including the grant of Legal Charges to Bank of Scotland; (I) any other transactions, agreements or arrangements connected with any of the foregoing; (J) the passing by the Company as a shareholder of each of Quality Care Developments Limited No 2670384 ("QCD") and QCP of written resolutions of those companies (expressed to take effect as special resolutions) approving the entry by QCD and QCP respectively into those of the foregoing Transactions to which each of them is expressed to be a party, and into any other transactions, agreements or arrangements connected therewith; and (K) the declaration and payment by QCD and QCP of dividends on their ordinary shares in the aggregate amounts of £430,000 and £140,000, respectively; and that the Directors of the Company be authorised and directed to cause the Company to enter into all or any such transactions, agreements or arrangements, and to sign

such written resolutions, notwithstanding any limitation in the Directors' powers which would otherwise apply with respect to the same.

[Signature]

Duly authorised
for and on behalf of
PRINCIPAL HEALTHCARE PLC

27 February, 1998