

Company No: 02535852

THE COMPANIES ACT 1985, 1989 and 2006
COMPANY LIMITED BY SHARES
BEECH HOUSE (PARTINGTON) LIMITED (COMPANY)

CIRCULATION DATE: *27 February* 2008

Written resolutions of all the members of the Company made pursuant to Chapter 2 Part 13 of the Companies Act 2006

We, the undersigned, being all the members of the Company who (at the date of these resolutions) would be entitled to attend and vote at any general meeting of the Company (Members), having been supplied with a copy of the statutory declaration made pursuant to section 155 of the Companies Act 1985 and the auditors' report annexed thereto, hereby agree that the following written resolutions (which would otherwise be required to be passed as special resolutions) be passed

1

- a THAT, the Company's memorandum of association be altered so that the following be inserted as paragraph (v) of clause 3

"To guarantee or otherwise support or secure, either with or without the Company receiving any consideration or advantage and whether by personal covenant or by mortgaging or charging all or part of the undertaking, property, assets, rights and revenues present and future and uncalled capital of the Company or by both such methods or by any other means whatsoever, the liabilities and obligations of and the payment of any moneys whatsoever (including but not limited to principal, interest and other liabilities of any borrowings or acceptance credits and capital, premiums, dividends, costs and expenses on any stocks, shares or securities) by any person, firm or company including but not limited to any company which is for the time being the holding company or a subsidiary (both as defined by section 736 of the Companies Act 1985 as amended) of the Company or of the Company's holding company;

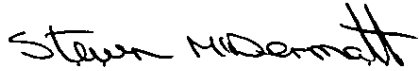


- b THAT, the following be inserted as paragraph (w) of clause 3

"To grant financial assistance subject to and in accordance with a due compliance with the provisions of ss 155 and 158 (inclusive) of the Companies Act 1985 (as amended) ("the Act") (if and so far as such provisions shall be applicable), to give whether directly or indirectly, any kind of financial assistance (as defined in c152 (1) (a) of the Act) for any such purpose as is specified in s151 (1) and/or s 151 (2) of the Act" , and

- c that the existing paragraphs (v) and (w) of clause 3 of the Memorandum be renumbered as (x) and (y) respectively

- 2 THAT, subject to compliance with sections 155 to 158 of the Companies Act 1985, the Company is hereby authorised to give financial assistance to Rosewood Health Care Limited (RHC) for the purpose of acquiring shares in the Company and the terms and arrangements contemplated by the execution, delivery and performance by the Company of the following documents (**Finance Documents**) be approved
- 2 1 a Legal Charge between (1) the Company and (2) The Royal Bank of Scotland plc charging by way of Legal Mortgage all those pieces or parcels of land at Beech House, Partington, Manchester M31 4DJ and charging by way of fixed charge the other matters referred to in the same Legal Charge
- 2 2 a Debenture between (1) the Company and (2) The Royal Bank of Scotland plc charging the whole and any part of the Company's undertaking property and assets by way of Legal Mortgage, fixed charge and floating charge upon the terms and as specified therein
- 2 3 an unlimited inter-company guarantee with accession by which the Company guarantees the Obligations of the Debtor Companies as therein stated and defined jointly and severally with the other Guarantors as therein defined and the Guarantee makes provision for other companies to accede to the arrangements
- 3 That the approval for the Company to give the financial assistance set out above and to enter into the Finance Documents be given notwithstanding that the Company might be held to be giving financial assistance for the purposes of sections 151 and 152 of the Companies Act 1985



Steven McDermott

Date 27 February 2008



Lorraine Cockburn

Date 27 February 2008

NOTES

- 1 If you agree with the Resolutions, please indicate your agreement by signing and dating this document where indicated above and returning it to the Company using one of the following methods
 - **By Hand** delivering the signed copy to George Khanijau at the Company's registered office
 - **Post**: returning the signed copy to George Khanijau at the Company's registered office
 - **Fax** faxing the signed copy to the Company's registered office marked "For the attention of George Khanijau"
 - **E-mail** by attaching a scanned copy of the signed document to an email and sending it to Georgekhanijau@hotmail.com Please enter "Written Resolutions" in the email subject box
- If you do not agree to the Resolution, you do not need to do anything you will not be deemed to agree if you fail to reply
- 2 Once you have indicated your agreement to the Resolution, you may not revoke your agreement
- 3 Unless, by [31 March 2008], sufficient agreement has been received for the Resolution to pass, it will lapse If you agree to the Resolution, please ensure that your agreement reaches us before or during this date
- 4 In the case of joint holders of shares, only the vote of the senior holder who votes will be counted by the Company Seniority is determined by order in which the names of the joint holders appear in the register of members

- 5 If you are signing this document on behalf of a person under a power of attorney or other authority please send a copy of the relevant power of attorney or authority when returning this document

THE COMPANIES ACT 1985
PRIVATE COMPANY LIMITED BY SHARES

COMPANY NO INCORPORATED 2535852

Memorandum of Association

OF

BEECH HOUSE (PARTINGTON) LIMITED

1 The Company's name is BEECH HOUSE (PARTINGTON) LIMITED

2 The Company's registered office is to be situated in England and Wales

3 The Company's objects are

(a) To construct build develop establish equip and carry on residential homes hospitals nursing homes convalescent homes crechers hydropathic establishments and homes for the infirm elderly or disabled and hotels and boarding houses To provide private medical services facilities and ancillary services of all descriptions To undertake the training and supply of nurses and medical attendants To carry on business as manufacturing and retail chemists and druggists farmers poultry farmers gardeners florists and as manufacturers of the dealers in patients requisits of all kinds To carry on business as providers and suppliers of all types of medical materials and equipment and other materials and equipment for medical and surgical use surgical medical curative and healing instruments and equipment generally laboratory observatory and scientific instruments equipment and supplies and hospital equipment and supplies of all kinds

(b) To carry on any other business which may seem to the Company capable of being conveniently carried on In connection with the above or calculated directly or indirectly to enhance the value of or render more profitable any of the property or rights of the Company

(c) To apply for, purchase, register or otherwise acquire and protect and renew, whether in the United Kingdom or elsewhere in any part of the world any patent, patent rights, brevets d'invention, designs, concessions, secret processes, trade marks, licences, and the like and to after, disclaim, modify, use and turn to account and to manufacture under or grant licences or privileges in respect of the same, and to expend money in experimenting upon, testing or improving any such patent, inventions or rights

(d) To purchase, take on lease or in exchange, hire or by any other means acquire and take options over any freehold, leasehold or any other real or personal property and any rights or privileges which the Company may think necessary or convenient for the purpose of its business, or may enhance the value of any other property of the Company

(e) To acquire and undertake the whole or any part of the business, goodwill, assets, property, and liabilities of any person or company carrying on or proposing to carry on any business which the Company is authorised to carry on or possessed of property suitable for the purposes of the Company or which can be carried on in conjunction therewith or which is capable of being conducted so as directly or indirectly to benefit the Company

(f) To acquire an interest in, amalgamate with, or enter into partnership or into any arrangement for sharing profits, co-operation, joint adventure, union of interest or reciprocal concession with any person or company carrying on or engaged in, or about to carry on or engage in, any business or transaction which is capable of being conducted so as directly or indirectly to benefit the Company

(g) To enter into any arrangements with any governments or authorities supreme, local,

municipal, or otherwise, or any company or person that may seem conducive to the attainment of the Company's objects, or any of them, and to obtain from any such government or authority any rights, charters, licences, privileges or concessions which the Company may think it desirable to obtain, and to carry out, exercise and comply therewith

(h) To draw, make, accept, endorse, discount, execute, negotiate and issue promissory notes, bills of exchange, bills of lading, warrants, debentures and other negotiable or transferable instruments

(i) To invest and deal with the moneys of the Company not immediately required in any manner, and to hold sell or otherwise deal with any investments made

(j) To subscribe for, take, or otherwise acquire, and hold shares, stock, debentures, debenture stock or other securities of any other company

(k) To establish or promote any other company or companies for the purpose of acquiring all or any of the property, rights and liabilities of the Company, or for any other purpose which may appear likely to assist or benefit the Company or to enhance the value of any property or business of the Company and to place or guarantee the placing of, under-write, subscribe for or otherwise acquire all or any part of the shares, debentures or other securities of any such company

(l) To advance and lend money or give credit, with or without security to customers and others, to enter into guarantees, contracts or indemnity and suretyships of all kinds, to receive money on deposit or bans and to become security for any persons, firms to companies

(m) To raise or borrow money in such a manner as the Company shall think fit, and to secure the repayment of any such money raised, borrowed or owing by mortgage, lien, charge or other security upon all or any of the property or assets of the Company (whether present or future) including its uncalled capital' and also by a similar mortgage, lien charge or security to secure and guarantee the performance by the Company of an obligation or liability it may undertake or which may become binding on it

(n) To pay out of the funds of the Company all or any expenses which the Company may lawfully pay with respect to the promotion, formation and incorporation of the Company or to contract with any person firm or company to pay the same and to pay commissions to brokers and others for underwriting, piecing, selling, or guaranteeing the subscription of any shares, debentures or other securities of the Company

(o) To remunerate any person, firm or company whether by cash payment or by the allotment of shares, debentures or other securities of the Company credited as paid up in full or in part or otherwise

(p) To subscribe to or support any charitable object or any institution and to give pensions, bonuses, gratuities or assistance to any person who is serving or has served the Company, whether as a director, employee or otherwise, and his family and dependents, to make payments towards insurance, and to establish form and contribute to provident, superannuation and other similar funds and trusts, associations, clubs, schools, and other institutions for the benefit of any such persons aforesaid

(q) To distribute among the members of the Company any property of the Company of any kind or any proceeds of sale or disposal of any property of the Company, but so that no distribution amounting to a reduction of capital of the Company be made except with the sanction for the time being required by law

(r) To procure the Company to be registered or recognised in any part of the world

(s) To act as agents or brokers and as trustees for any person, firm, or company, and to undertake and perform sub-contracts and also to act in any of the businesses of the Company in any part of the world through or by means of agents, subcontractors or others

(t) To improve, develop, manage, grant rights or privileges in respect of, construct, repair, let on lease or otherwise, exchange, mortgage, charge, dispose of, sell, grant licences in respect of, turn to account grant options in respect of, or otherwise deal with all or any part of the property and rights of the Company both real and personal

(u) To sell or otherwise dispose of the whole or any part of the business or property of the Company, either together or in portions for such consideration as the Company may think fit, and in particular for shares, debentures or securities of any company purchasing the same

(v) To guarantee or otherwise support or secure, either with or without the Company receiving any consideration or advantage and whether by personal covenant or by mortgaging or charging all or part of the undertaking, property, assets, rights and revenues present and future and uncalled capital of the Company or by both such methods or by any other means whatsoever, the liabilities and obligations of and the payment of any moneys whatsoever (including but not limited to principal, interest and other liabilities of any borrowings or acceptance credits and capital, premiums, dividends, costs and expenses on any stocks, shares or securities) by any person, firm or company including but not limited to any company which is for the time being the holding company or a subsidiary (both as defined by section 736 of the Companies Act 1985 as amended) of the Company or of the Company's holding company

(w) To grant financial assistance subject to and in accordance with a due compliance with the provisions of ss 155 and 158 (inclusive) of the Companies Act 1985 (as amended) ("the Act") (if and so far as such provisions shall be applicable), to give whether directly or indirectly, any kind of financial assistance (as defined in s152 (1) (a) of the Act) for any such purpose as is specified in s151 (1) and/or s 151 (2) of the Act)

(x) To do all or any of the matters or things aforesaid in any part of the world and to do such matters or things either as principals, agents, contractors or otherwise and by or through agents, contractors, or otherwise and either alone or in conjunction with others

(y) To do all such other things as may be deemed incidental or conducive to the attainment of the above objects or any of them

And it is hereby declared that

(i) The objects specified in each sub-clause shall be regarded as independent objects, and they shall not be limited or restricted, except where otherwise expressed in such sub-clauses, by reference to or inference from the terms of any other sub-clause or the name of the Company, but may be carried out in as full and ample a manner and construed in as wide a sense as if each of the said sub-clauses defined the objects of a separate and distinct company

(ii) The word "Company", except where used in reference to this Company, shall be deemed to include any partnership or other body of persons, whether corporate or unincorporated, and whether incorporated, registered, resident or domiciled in the United Kingdom or elsewhere

4 The liability of the members is limited

5 The Company's share capital is £5,000 divided into 5,000 shares of £1 each

We the subscribers to this Memorandum of Association wish to be formed into a Company pursuant to this Memorandum and we agree to take the number of shares shown opposite our respective names

NAMES AND ADDRESSES OF
SUBSCRIBERS

NUMBER OF SHARES TAKEN BY EACH
SUBSCRIBER

JEAN BROWN
International House
82-86 Deansgate
Manchester
M3 2ER

ONE

GRAHAM BROWN
International House
82-86 Deansgate
Manchester
M3 2ER

ONE



TOTAL NUMBER OF SHARES TAKEN

TWO

Articles of Association

OF BEECH HOUSE (PJARTINGTON) LIMITED

PRELIMINARY

1 The regulations contained in Table A in the Schedule to the Companies (Tables A to F) Regulations 1985 as amended by the Companies (Table A to F) (Amendment) Regulations 1985 (hereinafter referred to as "Table A"), subject to the additions, exclusions and modifications hereinafter expressed shall constitute the Articles of Association of the Company

SHARE CAPITAL

2 The Directors of the Company may (subject to regulations 3 and 4(i) below and section 80 of the Act) allot, grant options over, or otherwise deal with or dispose of any relevant securities (as defined by section 80(2) of the Act) in the Company on such terms and conditions and in such manner as they shall think proper

3 The Directors of the Company are generally and unconditionally authorised during the period of five years from the date of incorporation of the Company to allot, grant rights to subscribe for or convert securities into shares in relation to the original shares in the authorised share capital of the Company to such persons at such times and on such terms and conditions as they think fit, subject to the provisions of section 80 of the Act

4 (i) Subject to any direction to the contrary that may be given by Special Resolution by the Company in General Meeting, any shares which do not comprise the original authorised share capital of the Company shall, before they are issued, be offered to the Members in proportion as nearly as possible to the nominal value of the existing shares held by them and such offer shall be made by notice specifying the number of shares to which the Member is entitled and limiting a time within which the offer if not accepted shall be deemed to be declined, and after the expiration of such time or on receipt of an intimation from the Member to whom the notice is given that he declines to accept the shares, the Directors may dispose of the same in such manner they think most beneficial to the Company. The provisions of this paragraph shall have effect only insofar as they are not inconsistent with section 80 of the Act

(ii) In accordance with section 91(1) of the Act, section 89(1) and sections 90(1) to (6) (inclusive) of the Act shall not apply to the Company

LIEN

5 (i) The Company shall have a first and paramount lien on every share (whether or not it is a fully paid share) for all moneys whether presently payable or not) payable at a fixed time or called in respect of that share. The Company shall also have a first and paramount lien on every share (whether or not it is a fully paid share) standing registered in the name of any Member solely or registered in the names of two or more joint holders for all moneys presently payable by him or his estate to the Company. The Directors may at any time declare any share to be wholly or in part exempt from the provisions of this regulation

(ii) Regulation 8 of Table A shall not apply to the Company

NOTICE OF GENERAL MEETINGS

6 (i) An Annual General Meeting and an Extraordinary General Meeting called for the passing of a Special Resolution or a Resolution appointing a person as a Director shall be called by at least twenty-one clear days' notice. All other Extraordinary General Meetings shall be called by at least fourteen clear days' notice but a General

Meeting may be called by shorter notice if it is so agreed—

- (a) in the case of an Annual General Meeting by all the Members entitled to attend and vote thereat, and
 - (b) in the case of any other Meeting by a majority in number of the Members having a right to attend and vote being a majority together holding not less than ninety-five per cent in nominal value of the shares giving that right
- (ii) The notice shall specify the time and place of the Meeting and in the case of special business only the general nature of the special business to be transacted and, in the case of an Annual General Meeting, shall specify the Meeting as such
- (iii) All business shall be deemed special that is transacted at an Extraordinary General Meeting, and also all that is transacted at an Annual General Meeting, with the exception of declaring a dividend, the consideration of the accounts, balance sheets and the reports of the Directors and Auditors, and the appointment of, and the fixing of the remuneration of, the Auditors
- (iv) Subject to the provisions of these Articles and to any restrictions imposed on any shares, all notices of and any other communications relating to any General Meetings of the Company or of separate General Meetings of the holders of any class of share capital of the Company shall be given to all the Members, to all persons entitled to a share in consequence of the death or bankruptcy of a Member and to the Directors and Auditors of the Company for the time being
- (v) Regulation 38 of Table A shall not apply to the Company

PROCEEDINGS AT GENERAL MEETINGS

- 7, (i) No business shall be transacted at any Meeting unless a quorum is present at the time the Meeting proceeds to business. Two persons entitled to vote upon the business to be transacted, each being a Member or a proxy for a Member or a duly authorised representative of a corporation, shall be a quorum
- (ii) If such a quorum is not present within half an hour from the time appointed for the Meeting, the Meeting shall stand adjourned to the same day in the next week at the same time and place or such time and place as the Directors may determine. If at the adjourned Meeting a quorum is not present within half an hour from the time appointed for the Meeting, such adjourned Meeting shall be dissolved
- (iii) Regulations 40 and 41 of Table A shall not apply to the Company

NUMBER OF DIRECTORS

- 8 (i) Unless otherwise determined by Ordinary Resolution in General Meeting of the Company the number of Directors (other than Alternate Directors) shall not be subject to any maximum, and the minimum number of Directors shall be one. If and so long as the minimum number of Directors shall be one, a sole Director may exercise all the authorities and powers which are vested in the Directors by Table A and by these Articles. Regulation 89 of Table A shall be modified accordingly
- (ii) Regulation 64 of Table A shall not apply to the Company

APPOINTMENT OF DIRECTORS

9 The first Directors of the Company shall be as named in the statement delivered to the Registrar of Companies pursuant to section 10 of the Act

10 No person shall be appointed a Director at any General Meeting unless—

- (a) he is recommended by the Directors, or
- (b) not less than fourteen nor more than thirty-five clear days before the date appointed for the General Meeting, notice executed by a Member qualified to vote at the General Meeting has been given to the Company of the intention to propose that person for appointment together with notice executed by that person of his willingness to be appointed

11 Subject to regulation 10 above, the Company may by Ordinary Resolution appoint a person who is willing to act to be a Director either to fill a vacancy or as an additional Director

12 The Directors may appoint a person who is willing to act to be a Director, either to fill a vacancy or as an additional Director, provided that the appointment does not cause the number of Directors to exceed any number fixed by or in accordance with these Articles as the maximum

number of Directors

13 The Directors shall not be required to retire by rotation and regulations 73 to 80 (inclusive) of Table A shall not apply to the Company

DIRECTORS GRATUITIES AND PENSIONS

14 (i) The powers of the Company set out in Clause 3 (p) of the Memorandum of Association may be exercised by the Directors of the Company

(ii) Regulation 87 of Table A shall not apply to the Company

PROCEEDINGS OF DIRECTORS

15 (i) A Director may vote as a Director in regard to any contract or arrangement in which he is interested or upon any matter arising thereout, and if he shall so vote his vote shall be counted and he shall be reckoned in estimating a quorum when any such contract or arrangement is under consideration

(ii) Regulations 94 to 97 (inclusive) of Table A shall not apply to the Company

SECRETARY

16 The first Secretary or Joint-Secretaries of the Company shall be as named in the statement delivered to the *Registrar* of Companies pursuant to section 10 of the Act,

TRANSFER OF SHARES

17 The directors may, in their absolute discretion, decline to register the transfer of a share, whether or not it be a fully paid share, and no reason for the refusal to register the aforementioned transfer need be given by the Directors. The first sentence of regulation 24 of Table A shall not apply to the Company

NAMES AND ADDRESSES OF SUBSCRIBERS

JEAN BROWN
International House
82 86 Deansgate
Manchester
M3 2ER

GRAHAM BROWN
International House
82 - 86 Deansgate
Manchester
M3 2ER

G. Brown 27/02/08

Dated 21st August 1990

Witness to the above Signatures

MICHAEL ROBERT SWINBURNE
International House
82 - 86 Deansgate
Manchester
M3 2ER