

Company Number: 2548025

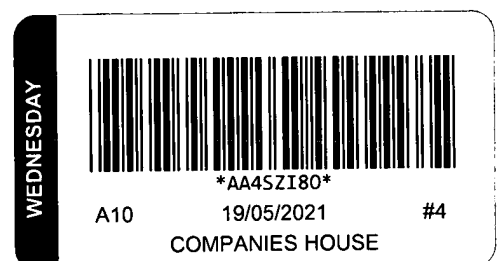
THE COMPANIES ACT 1985
A COMPANY LIMITED BY GUARANTEE AND NOT HAVING A SHARE CAPITAL
ARTICLES OF ASSOCIATION
OF
SOMERSET CARE LIMITED

(as adopted by a written resolution passed on 11 June 2001 and amended by special resolutions passed on 9 November 2007, 10 June 2015 and 14 May 2021)

1. INTERPRETATION

- 1.1. In these Articles the word standing in the first column of the Table next hereinafter contained shall bear the meaning set opposite to them respectively in the second column thereof, if not inconsistent with the subject or context

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| "the Act" | the Companies Act 1985 including any statutory modification or re-enactment thereof for the time being in force |
| "these Articles" | these Article of Association of the Company |
| "corporation" | any corporation whether or not a company within the meaning of the Act and "corporate" shall be construed accordingly |
| "the Company" | the above named Company |
| "Conflict" | means a situation in which a director has or can have, a direct or indirect interest that conflicts or possibly may conflict, with the interests of the Company |
| "the Board" | the board of directors for the time being of the Company |
| "Director" | a director for the time being of the Company |
| "the Office" | the registered office of the Company |
| "the Seal" | the common seal of the Company |
| "the Secretary" | the secretary of the company or any other person appointed to perform the duties of the secretary of the Company, including a joint assistant or deputy secretary |
| "United Kingdom" | Great Britain & Northern Ireland |



"Month" calendar month

"in writing" written, printed or lithographed, or partly one partly another, and other modes of representing or reproducing words in a visible form whether sent or supplied in electronic form or otherwise

- 1.2. Words importing the singular number only shall include the plural number, and vice versa ,
- 1.3. Words importing the masculine gender only shall include the feminine gender
- 1.4. Words importing persons shall include corporations
- 1.5. Subject as aforesaid, only words or expressions defined in the Act or any statutory modifications thereof in force at the date on which these Articles become binding on the Company shall, if not inconsistent with the subject or context bear the same meanings in these Articles.

2. MEMBERS

- 2.1. The subscribers to the Memorandum or Association of the company and such other persons as are admitted to membership in accordance with these Articles shall be members of the Company.
- 2.2. Every person who wishes to become a member shall deliver to the Company an application for membership in such form as the Board require executed by him. All applications for membership of the Company may be approved or rejected by the Board and no person shall be admitted to be a member of the Company unless his application for membership is approved by the Board. The Board shall notify in writing any applicant who is rejected but shall not be bound to give any reason for the rejection.
- 2.3. No person shall in any circumstances be admitted to membership of the Company unless he is also appointed as a Director of the Company at the time he is admitted as a member, or in the case of a corporate member unless a duly authorised representative of the corporation is appointed as a Director of the Company at the time the corporation is admitted as a member.
- 2.4. A member may at any time withdraw from the Company by giving at least seven clear days notice to the Company.
- 2.5. The Board may terminate the membership of any member without his consent by giving the member written notice if, in the reasonable opinion of the Board, the member:
 - (a) is guilty of conduct which has or is likely to have a serious adverse effect on the Company or bring the Company or any or all of the members and Directors into disrepute; or
 - (b) has acted or has threatened to act in a manner which is contrary to the interests of the Company as a whole; or
 - (c) has failed to observe the terms of these Articles.

- 2.6. The written notice given under article 2.5 must give the member the opportunity to be heard in writing or in person as to why his membership should not be terminated. The Board must consider any representations made by the member and inform the member of their decision following such consideration. There shall be no right to appeal from a decision of the Board to terminate the membership of a member.
- 2.7. In the case of an individual, membership shall cease on death or becoming bankrupt or entering a composition with his creditors generally.
- 2.8. In the case of a corporation, membership shall cease on a petition being presented or a meeting convened for the purposes of winding it up on its entering into a composition with its creditors or having a receiver appointed over all or a substantial part of its assets.
- 2.9. A member shall cease to be a member of the Company on his ceasing to be a Director, or in the case of a corporate member on there ceasing to be a duly authorised representative of the corporation holding office as a Director, for any reason.
- 2.10. Membership shall not be transferable.

3. OBJECTS

- 3.1. The Company is established for the purposes expressed in its memorandum of association.

4. GENERAL MEETINGS

- 4.1. The Company shall hold a general meeting in every calendar year as its annual general meeting at such time and place as may be determined by the Board, and shall specify the meeting as such in the notices calling it, provided that every annual general meeting except the first shall be held not more than fifteen months after the holding of the last preceding annual general meeting, and that so long as the Company holds its first annual general meeting within eighteen months after its incorporation it need not hold it in the year of its incorporation or in the following year.
- 4.2. All general meetings, other than annual general meetings, shall be called extraordinary general meetings.
- 4.3. The Board may, whenever they think fit, convene an extraordinary general meeting, and extraordinary general meetings shall also be convened on such requisition, or in default may be convened by such requisitionists, as provided by Section 368 of the Act.

5. NOTICE OF GENERAL MEETINGS

- 5.1. An annual general meeting and an extraordinary general meeting called for the passing of a special resolution or a resolution appointing a person a director shall be called by at least 21 days notice (exclusive of the day on which it is given and the day for which it is given).
- 5.2. All other extraordinary general meetings shall be called by at least 14 days notice (exclusive as aforesaid) 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 95 per cent of the total voting rights at the meetings of all the members.
- 5.3. The notice shall specify the time and place of the meeting and the general nature of the business to be transacted and the terms of any resolution to be proposed at it and, in the case of an annual general meeting shall specify the meeting as such.
- 5.4. The notice shall be given to all the members and to the Directors and auditors.
- 5.5. The accidental omission to give notice of a meeting to, or the non-receipt of such notice by, any person entitled to receive notice thereof shall not invalidate any resolution passed, or the proceedings, at that meeting.

6. PROCEEDINGS AT GENERAL MEETING

- 6.1. No business shall be transacted at any general meeting unless a quorum is present. Three persons entitled to vote upon the business to be transacted (being a member or proxy for a member or a duly authorised representative of a corporate member) personally present shall be a quorum provided that two such persons shall also hold the office of non-executive Director or be proxy for a member who also holds the office of non-executive Director.
- 6.2. If such a quorum is not present within half an hour from the time appointed for the meeting, or if during a meeting such quorum ceases to be present, the meeting shall stand adjourned to the same day in the next week at the same time and place or to such time and place as the directors may determine.
- 6.3. The Chairman, if any, of the Board or in his absence some other Director nominated by the Board shall preside as chairman at every general meeting, but if neither the chairman nor such other Director (if any) be present within fifteen minutes after the time appointed for holding the same and willing to preside, the Directors present shall elect one of their number to be chairman and if there is only one Director present and willing to act he shall be chairman.
- 6.4. If no Director is willing to act as chairman or if no Director is present within fifteen minutes after the time appointed for holding the meeting the members present and entitled to vote shall choose one of their number to act as chairman.
- 6.5. The chairman may, with the consent of any meeting at which a quorum is present (and shall if so directed by the meeting) adjourn the meeting from time to time, and from place to place, but no business shall be transacted at an adjourned meeting other than business which might have been transacted at the meeting had the adjournment not taken place. Whenever a meeting is adjourned for thirty days or more, notice of the adjourned meeting shall be given in the same manner as of an original meeting. Save

as aforesaid, the members shall not be entitled to any notice of an adjournment, or of the business to be transacted at any adjourned meeting.

- 6.6. At any general meeting a resolution put to the vote of the meeting shall be decided on a show of hands, unless before or upon the declaration of the result of the show of hands a poll is demanded. A poll (subject to the provisions of the Act) may be demanded:
- (a) by the chairman; or
 - (b) by at least three members present in person or by proxy, or
 - (c) by a member or members present in person or by proxy and representing one-tenth of the total voting rights of all the members having the right to vote at the meeting.
- 6.7. Unless a poll is duly demanded a declaration by the chairman of the meeting that a resolution had been carried, or carried unanimously by a particular majority, or lost, or not carried by a particular majority, and an entry to that effect in the minutes of the meeting shall be conclusive evidence of the fact without proof of the number of proportion of votes recorded in favour of or against the resolution.
- 6.8. The demand for a poll may, before the poll is taken, be withdrawn but only with the consent of the chairman and a demand so withdrawn shall not be taken to have invalidated the result of a show of hands declared before the demand was made.
- 6.9. Subject to the provisions of Article 6.12, a poll shall be taken at such time and place, and in such manner as the chairman shall direct, and the result of the poll shall be deemed to be the resolution of the meeting at which the poll was demanded.
- 6.10. No poll shall be demanded on the election of a chairman, a meeting, or on any question of adjournment.
- 6.11. In the case of an equality of votes, whether on a show of hands or on a poll, the chairman of the meeting shall be entitled to a casting vote in addition to any other vote he may have.
- 6.12. The demand of a poll shall not prevent the continuance of a meeting for the transaction of any business other than the question on which a poll has been demanded. If a poll is demanded before the declaration of the result of a show of hands and the demand is duly withdrawn, the meeting shall continue as if the demand had not been made.
- 6.13. A resolution in writing executed by or on behalf of each member who would have been entitled to vote upon it if it had been proposed at a general meeting at which he was present shall be as effectual as if it had been passed at a general meeting duly convened and held and may consist of several instruments in the like form each executed by or on behalf of one or more members.

7. VOTES OF MEMBERS

- 7.1. On a show of hands or a poll every member present in person or by proxy shall have one vote.
- 7.2. Save as herein expressly provided, no member, other than a member duly registered, shall be entitled to vote on any question either personally or by proxy, or as a proxy for another member, at any general meeting.
- 7.3. A corporation may vote by its duly authorised representative appointed as provided by Section 375 of the Act. A proxy need not be a member of the corporation.
- 7.4. The instrument appointing a proxy shall be in a writing under the hand of the appointer or his attorney duly authorised in writing, or if such appointor is a corporation, under its common seal, if any, and if none, then under the hand of some officer duly authorised in that behalf.
- 7.5. The instrument appointing a proxy and the power of attorney or other authority, if any, under which it is executed or a copy of such authority certified notarially or in some other way approved by the Board shall:
 - (a) be deposited at the Office or at such other place within the United Kingdom as is specified in the notice convening the meeting or in any instrument of proxy sent out by the Company in relation to the meeting not less than 48 hours before the time for holding the meeting or adjourned meeting at which the person named in the instrument proposed to vote, or
 - (b) in the case of a poll taken more than 48 hours after it is demanded, be deposited as aforesaid after the poll has been demanded and not less than 24 hours before the time appointed for the taking of the poll, or
 - (c) where the poll is not taken forthwith but is taken not more than 48 hours after it was demanded, be delivered at the meeting at which the poll was demanded to the chairman, secretary or to any directorand an instrument of proxy which is not deposited or delivered in a manner so permitted shall be invalid.
- 7.6. A vote given or poll demanded by proxy or by the duly authorised representative of a corporation shall be valid notwithstanding the previous determination of the authority of the person voting or demanding the poll unless notice of determination shall have been received at the Office before the commencement of the meeting or adjourned meeting at which the vote is given or the poll demanded or (in the case of a poll taken otherwise than on the same day as the meeting or adjourned meeting) the time appointed for taking the poll.
- 7.7. An instrument appointing a proxy shall be in the following form or as near thereto as circumstances will allow or in any other form which is usual or which the Board may approve:

I _____ of _____,
being a member of SOMERSET CARE LIMITED hereby appoint _____,
of _____, or
failing him, _____ of _____,
as my proxy to vote for me in my name and on my behalf at the annual or extraordinary
general meeting of the Company to be held on the
day of _____ 20____ at _____
, and at any adjournment thereof

As witness my hand this _____ day of _____ 20____

The instrument appointing a proxy shall be deemed to confer authority to demand or
join in demanding a poll.

8. NUMBER OF DIRECTORS

- 8.1. Unless otherwise determined by ordinary resolution, the number of Directors shall not be subject to any maximum but shall not be less than five and there shall at all times be a majority of non-executive Directors on the Board.
- 8.2. No person who is not a member of the Company shall in any circumstances be eligible to hold office as a Director of the company save that a duly authorised representative of a corporate member may subject to the provisions of these Articles hold office as a Director.

9. POWERS OF THE BOARD

- 9.1. The business, property and affairs of the Company shall be managed by the Board who may pay all such expenses of and preliminary and incidental to the promotion, formation, establishment and registration of the Company as they think fit, and may exercise all such powers of the Company and do on behalf of the Company all such acts as may be exercised and done by the Company and as are not by statute or by these Articles required to be exercised by the Company in general meeting, subject nevertheless to any regulations of these Articles, to the provisions of the statutes for the time being in force and affecting the Company and to such regulations, being not inconsistent with the aforesaid regulations or provisions, as may be prescribed by the Company in general meeting, but no regulation made by the Company in general meeting shall invalidate any prior act of the Board which would have been valid if such regulation had not been made.
- 9.2. The Directors for the time being may act notwithstanding any vacancy in their body provided always that in case the Directors shall at any time be or be reduced in number to less than the minimum number prescribed by or in accordance with these Articles, it shall be lawful for them to act as the Board for the purpose of admitting persons to

membership of the Company, filling up vacancies in their body or of summoning a general meeting, but not for any other purpose.

10. APPOINTMENT, DISQUALIFICATION AND REMOVAL OF DIRECTORS

10.1. The Board may from time to time and at any time appoint any person as a Director either to fill a casual vacancy or by way of addition to the Board provided always that:

- (a) such person shall be admitted as a member of the Company at the time he is appointed as a Director (or in the case of a representative of a corporation being appointed as a Director, that the corporation is admitted as a member of the Company at the same time as the appointment of its representative as a Director), and
- (b) no person shall be appointed as an executive Director if as a result of such appointment there would be a majority of executive Directors on the Board.

10.2. The office of a director shall be vacated if:

- (a) he ceases to be a Director by virtue of any provision of the Act or he becomes prohibited by law from being a Director; or
- (b) he becomes bankrupt or makes any arrangement or composition with his creditors generally, or
- (c) he, or in the case of a Director appointed as a representative of a corporate member the corporation, ceases to be a member of the Company for any reason, or
- (d) a registered medical practitioner who is treating that person gives a written opinion to the Company stating that that person has become physically or mentally incapable of acting as a director and may remain so for more than three months; or
- (e) he resigns his office by notice to the Company; or
- (f) he shall from more than six consecutive months have been absent without permission for the Board from meetings of the Board held during that period and the Board resolves that his office be vacated; or
- (g) he ceases to satisfy the requirements of Regulation 5 of the Health and Social Care Act 2008 (Regulated Activities) Regulations 2014 (as amended from time to time) and is no longer fit and proper to hold the office of director.

10.3. In addition and without prejudice to the provisions of the Act, the Company may by ordinary resolution, remove any Director before the expiration of his period of office. The Company may by an ordinary resolution appoint another person in his place in accordance with the provisions of Article 10.1.

11. RETIREMENT OF DIRECTORS

- 11.1. At the annual general meeting following the 4th anniversary of a Director's appointment or reappointment under this Article, such Director shall retire from office but may offer themselves for reappointment by the members.
- 11.2. A Director who retires at an annual general meeting may, if willing to act, be reappointed by a simple majority of the members.
- 11.3. If a Director is required to retire at an annual general meeting by a provision of the Articles and is not reappointed the retirement shall take effect upon the conclusion of the meeting.

12. PROCEEDINGS OF THE BOARD

- 12.1. The Board may meet together for the dispatch of business, adjourn and otherwise regulate their meetings as they think fit.
- 12.2. A Director may, and on the request of a director the Secretary shall, at any time, summon a meeting of the Board by written notice served upon the several members of the Board. A Director who is absent from the United Kingdom shall not be entitled to notice of a meeting.
- 12.3. The quorum for the transaction of the business of the Directors (or any committee of the Board) may be fixed by the Board and unless so fixed at any other number shall be two non-executive Directors and one executive Director. A meeting of the Board at which a quorum is present shall be competent to exercise all the authorities, powers and discretion by or under the regulations of the company for the time being vested in the Board generally.
- 12.4. The Board may appoint one of their number to be the Chairman and Deputy Chairman of the Board provided that both the Chairman and Deputy Chairman are at all times non-executive Directors and may at any time remove either or both of them from those offices. Unless he is unwilling to do so the Director so appointed as Chairman shall preside at every meeting of Directors at which he is present or in his absence the Deputy Chairman. If at any meeting the Chairman or Deputy Chairman is not present within fifteen minutes after the time appointed for holding the meeting and willing to preside the Board shall choose one of their number (who may be an executive or non-executive Director) to be chairman of the meeting.
- 12.5. Questions arising at any meeting shall be decided by a majority of votes. In case of an equality of votes the Chairman of the meeting shall have a second or casting vote.
- 12.6. Any Director or member of a committee of the Board may participate in a meeting of the Directors or such committee by means of conference telephone or similar communications equipment whereby all persons participating in the meeting can hear and speak to each other and participation in a meeting in this matter shall be deemed to constitute presence in person at such meeting and shall accordingly be counted in a quorum and be entitled to vote. A resolution passed at any meeting held in this manner,

and signed by the chairman of the meeting, shall be as valid and effectual as if it had been passed at a meeting of the Board (or committee) duly convened and held.

- 12.7. The Board may delegate any of their powers to committees consisting of such Director or Directors as they think fit and whose chairman shall be either the Chairman or Deputy Chairman of the Board, and any committee so formed shall, in the exercise of the powers so delegated, conform to any regulations imposed on it by the Board provided that all acts and proceedings of such committees shall be reported back to the Board as soon as reasonably possible. The meetings and proceedings of any such committee shall be governed by the provisions of Article 12 for regulating the meetings and proceedings of the Board so far as applicable and so far as the same shall not be superseded by any regulations made by the Board.
- 12.8. All acts bona fide done by any meeting of the Board or of any committee of the Board or by any person acting as a Director shall, notwithstanding it be afterwards discovered that there was some defect in the appointment or continuance in office of any such member or person acting as aforesaid, or that they or any of them were disqualified, be as valid as if every such person had been duly appointed or had duly continued in office and was qualified to be a Director.
- 12.9. The Board shall cause proper minutes to be made of all appointments of officers made by the Board and of the proceedings of all meetings of the Company and of the Board and of committees of the Board and all business transacted at such meetings, and any such minutes of any meetings, if purporting to be signed by the chairman of such meeting, or by the chairman of the next succeeding meeting, shall be sufficient evidence without any further proof of the facts therein stated.
- 12.10. A resolution in writing signed by all the directors for the time being or any committee of the Board who are entitled to receive notice of a meeting of the Board or of such committee shall be as valid and factual as if it had been passed at a meeting of the Board or of such committee duly convened and constituted and may consist of several documents in the like form each signed by one or more members of the Board.

13. DIRECTORS' CONFLICTS OF INTEREST

- 13.1. The Directors may, in accordance with the requirements set out in this article, authorise any Conflict proposed to them by any director which would, if not authorised, involve a director (an **Interested Director**) breaching his duty to avoid conflicts of interest under section 175 of the Act.
- 13.2. Any authorisation under this article 13 shall be effective only if:
 - (a) to the extent permitted by the Act, the matter in question shall have been proposed by any director for consideration in the same way that any other matter may be proposed to the directors under the provisions of these Articles or in such other manner as the directors may determine;

- (b) any requirement as to the quorum for consideration of the relevant matter is met without counting the Interested Director; and
- (c) the matter was agreed to without the Interested Director voting or would have been agreed to if the Interested Director's vote had not been counted.

13.3. Any authorisation of a Conflict under this article 13 may (whether at the time of giving the authorisation or subsequently):

- (a) extend to any actual or potential conflict of interest which may reasonably be expected to arise out of the matter or situation so authorised;
- (b) provide that the Interested Director be excluded from the receipt of documents and information and the participation in discussions (whether at meetings of the directors or otherwise) related to the Conflict;
- (c) provide that the Interested Director shall or shall not be an Eligible Director in respect of any future decision of the directors in relation to any resolution related to the Conflict;
- (d) impose upon the Interested Director such other terms for the purposes of dealing with the Conflict as the directors think fit;
- (e) provide that, where the Interested Director obtains, or has obtained (through his involvement in the Conflict and otherwise than through his position as a director of the Company) information that is confidential to a third party, he shall not be obliged to disclose that information to the Company, or to use it in relation to the Company's affairs where to do so would amount to a breach of that confidence; and
- (f) permit the Interested Director to absent himself from the discussion of matters relating to the Conflict at any meeting of the directors and be excused from reviewing papers prepared by, or for, the directors to the extent they relate to such matters.

13.4. Where the directors authorise a Conflict, the Interested Director shall be obliged to conduct himself in accordance with any terms and conditions imposed by the directors in relation to the Conflict.

13.5. The directors may revoke or vary such authorisation at any time, but this shall not affect anything done by the Interested Director prior to such revocation or variation in accordance with the terms of such authorisation.

13.6. A director is not required, by reason of being a director (or because of the fiduciary relationship established by reason of being a director), to account to the Company for any remuneration, profit or other benefit which he derives from or in connection with a relationship involving a Conflict which has been authorised by the directors in accordance with these Articles or by the Company in general meeting (subject in each case to any

terms, limits or conditions attaching to that authorisation) and no contract shall be liable to be avoided on such grounds.

13.7. Subject to sections 177(5) and 177(6) and sections 182(5) and 182(6) of the Act, and provided he has declared the nature and extent of his interest in accordance with the requirements of the Act, a director who is in any way, whether directly or indirectly, interested in an existing or proposed transaction or arrangement with the Company:

- (a) may be a party to, or otherwise interested in, any transaction or arrangement with the Company or in which the Company is otherwise (directly or indirectly) interested;
- (b) shall be entitled to vote and count in the quorum at a meeting of directors (or of a committee of the directors) or participate in any unanimous decision, in respect of such existing or proposed transaction or arrangement in which he is interested;
- (c) may act by himself or his firm in a professional capacity for the Company (otherwise than as auditor) and he or his firm shall be entitled to remuneration for professional services as if he were not a director;
- (d) may be a director or other officer of, or employed by, or a party to a transaction or arrangement with, or otherwise interested in, any body corporate in which the Company is otherwise (directly or indirectly) interested; and
- (e) shall not, save as he may otherwise agree, be accountable to the Company for any benefit which he (or a person connected with him (as defined in section 252 of the Act)) derives from any such transaction or arrangement or from any such office or employment or from any interest in any such body corporate and no such transaction or arrangement shall be liable to be avoided on the grounds of any such interest or benefit nor shall the receipt of any such remuneration or other benefit constitute a breach of his duty under section 176 of the Act.

14. REMUNERATION OF DIRECTORS

14.1. The directors shall be entitled to such remuneration as the Company may by ordinary resolution determine and unless the resolution provides otherwise the remuneration shall be deemed to accrue from day to day.

15. DIRECTORS GRATUITIES AND PENSIONS

15.1. Subject to the provisions of the Memorandum of Association the Directors may provide benefits, whether by the payment of gratuities or pensions or by insurance or otherwise, for any director who has held but no longer holds any executive office or employment with the Company or with any body corporate which is or has been a subsidiary of the company or a predecessor in business of the Company or of such subsidiary, and for any member of his family (including a spouse and former spouse) or any person who is or was dependent on him, and may (as well before as after he ceases to hold such office or employment) contribute to any fund and pay premiums for the purchase or provision of any such benefit.

16. SECRETARY

- 16.1. The Secretary shall be appointed by the Board for such time, at such remuneration and upon such conditions as they may think fit, and any Secretary so appointed may be removed by them. The provisions of Section 283 and 284 of the Act shall apply and be observed. The Board may from time to time by resolution appoint an assistant or deputy Secretary, and any person so appointed may act in place of the Secretary if there be no Secretary or Secretary capable of acting.

17. SEAL

- 17.1. The Seal of the Company shall only be used by the authority of a resolution of the Board and in the presence of at least two Directors or by one Director and the Secretary who shall sign every instrument to which the seal shall be so affixed in their presence, and in favour of any purchaser or person bona fide dealing with the Company such signatures shall be conclusive evidence of the fact that the seal has been properly affixed.

18. ACCOUNTS

- 18.1. The Board shall cause proper books of account to be kept with respect to:
- (a) all sums of money received and expended by the Company and the matters in respect of which such receipts and expenditure take place;
 - (b) all sales and purchases of goods by the Company; and
 - (c) the assets and liabilities of the Company.
- 18.2. Proper books shall not be deemed to be kept if there are not kept such books of account as are necessary to give a true and fair view of the state of the affairs of the Company and to explain its transactions.
- 18.3. The books of account shall be kept at the office, or, subject to Section 222 of the Act, at such other place or places as the Board shall think fit and shall always be open to the inspection of the Directors.
- 18.4. The Board shall from time to time determine whether and to what extent and at what time and places and under what conditions or regulations the accounts and books of the Company or any of them shall be open to the inspection of members and no member (in his capacity as a member) shall have any right of inspecting any account or book or document of the Company except as conferred by statute or authorised by the Board or by the Company in general meeting.
- 18.5. At the annual general meeting in every calendar year the Board shall lay before the Company a proper completed expenditure account for the accounting period since the last preceding account (or in the case of the first account since the sheet made up as to the same date. Every such balance sheet shall be accompanied by reports of the Board and the auditors, and copies of such accounts balance sheets and reports (all of which shall be in accordance with any statutory requirements for the time being in force) and

any other documents required by law to be annexed or attached thereto or to accompany the same shall not less than twenty one clear days before the date of the meeting, subject nevertheless to the provisions of Section 240(4) of the Act, be sent to the auditors and all other persons entitled to receive notices of general meetings in the manner in which notices are hereinafter directed to be served. The auditors' report shall be open to inspection and be read before the meeting as required by Section 214 of the Act.

19. AUDIT

- 19.1. Once at last every year the accounts of the Company shall be audited by one or more properly qualified auditor or auditors to ensure that the accounts comprising of the income and expenditure account and balance sheet are true and fair.
- 19.2. Auditors shall be appointed and their duties regulated in accordance with the Act.

20. NOTICES

- 20.1. Any notice to be given to or by any person pursuant to these presents shall be in writing except that a notice calling a meeting of the Board need not be in writing.
- 20.2. A notice may be served by the Company upon any member, either personally or by sending it through the post in a prepaid envelope, addressed to such member at his address appearing in the register of members or by leaving it at that address.
- 20.3. Any member described in the register of members by an address not within the United Kingdom, who shall from time to time give the Company an address within the United Kingdom at which notices may be served upon him, shall be entitled to have notices served upon him at such address, but, save as aforesaid and as provided by the Act, only those members who are described in the register of members by an address within the United Kingdom shall be entitled to receive notices from the Company.
- 20.4. Any notice, if served by post, shall be deemed to have been served on the day following that on which the letter containing the same is put into the post, and in proving such service it shall be sufficient to prove that the letter containing the notice was properly addressed and put into the post office as a prepaid letter.
- 20.5. Any notice required by these Articles to be given by the Company may be given by any visible form on paper, including telex or facsimile, a notice communicated by such forms of immediate transmission shall be deemed to be given at the time it is transmitted to the person to whom it is addressed.

21. DISSOLUTION

- 21.1. Clause 7 of the Memorandum of Association relating to the winding up and dissolution of the Company shall have effect as if the provisions thereof were repeated in these Articles.

22. INDEMNITY

- 22.1. If and only to the extent permitted by law, every director, auditor, secretary or other officer of the company shall be indemnified by the company out of its own funds against all costs, charges, losses, expenses and liabilities incurred by him
- (a) in connection with any negligence, default, breach of duty or breach of trust by him in relation to the company,
 - (b) in performing his duties, and/or
 - (c) in exercising his powers, and/or
 - (d) in claiming to perform his duties or exercise his powers, and/or
 - (e) otherwise in relation to or in connection with his duties, powers or office.

23. INSURANCE

- 23.1. Without prejudice to the power contained in article 22.1, the directors may purchase and maintain at the expense of the company insurance for or for the benefit of any persons who are or were at any time directors, officers, employees or auditors of the company or any related company or trustees of any pension fund or employees' share scheme in which any employees of the company or any related company are interested.
- 23.2. In this article "related company" means (i) any company which is or was the company's holding company or (ii) any body (whether incorporated or not) in which the company or any holding company has or had any kind of interest (whether direct or indirect) or any body (whether incorporated or not) which is associated or connected in any way with the company or any holding company of the company, (iv) any predecessors in business of the company or any other body referred to in this article 23.2, or (v) any body (whether incorporated or not) which is a subsidiary undertaking of the company or any other body referred to in this article 23.2.

24. FUNDS TO MEET EXPENDITURE

- 24.1. The company (to the extent permitted by" law and in compliance with the terms set out in section 337A(4) of the Act)
- (a) may provide a director or officer or former director or officer with funds to meet expenditure incurred or to be incurred by him in defending any criminal or civil proceedings or in connection with any application under any of the provisions mentioned in section 337A(2) of the Act, and
 - (b) may do anything to enable a director or officer or a former director or officer to avoid incurring such expenditure.

Company Number: 2548025

THE COMPANIES ACT 1985
A COMPANY LIMITED BY GUARANTEE
AND NOT HAVING A SHARE CAPITAL
MEMORANDUM OF ASSOCIATION

-OF-

SOMERSET CARE LIMITED

(as altered by a written resolution dated 7 November 2003)

1. The Company's name is Somerset Care Limited.
2. The Company's registered office will be situated in England and Wales.
3. The Company's objects are:

To promote the physical and mental welfare of those disadvantaged by age or other handicap living in or resorting to the County of Somerset and elsewhere to provide and manage homes for them to live in to provide support to enable them to continue to live within the Community and to promote such other benevolent or philanthropic purposes as the directors may agree from time to time. And the Company shall have the following powers exercisable in furtherance of its said objects but not otherwise, namely:

- (a) Subject to such consents as may be required by law to purchase, take on lease or in exchange, hire or otherwise acquire any real or personal property and any rights or privileges which the Company may think necessary for the promotion of its objects, and to construct maintain and alter any buildings or erections necessary for the work of the Company.
- (b) Subject to such consents as may be required by law to sell, let, mortgage, dispose of or turn to account all or any of the property or assets of the Company as may be thought necessary for the promotion of its objects.
- (c) To employ and pay any person or persons to supervise, organise, carry on the work of and advise the Company and any subsidiary.
- (d) To enter into Contracts or other arrangements with any local or county authority or any government department welfare or other organisation relating to provision and receipt of persons goods or services.
- (e) To provide, and assist in the provision of voluntary visitors, clubs, outings and leisure activities for the housebound elderly.
- (f) To provide, and assist in the provision of a welfare, advice and information service for the elderly and to provide education and training for persons who provide welfare, advice or services to or for those disadvantaged by age or other handicap.

- (g) To provide and assist in the provision of meals, services, sheltered accommodation and sheltered employment for the elderly.
- (h) To issue appeals, hold public meetings and take such other steps as may be required for the purpose of procuring contributions to the funds of the Company in the shape of donations, subscriptions or otherwise.
- (i) To draw, make, accept, endorse, discount, execute and issue promissory notes, bills, cheques and other instruments and to operate bank accounts.
- (j) To take and accept any gift of money, property or other assets, whether subject to any special trust or not, for any one or more of the objects of the Company.
- (k) To make any charitable donation either in cash or assets for the furtherance of the objects of the Company.
- (l) To insure and arrange insurance cover for and to indemnify its officers, servants and voluntary workers and those of its members from and against all such risks incurred in the course of the performance of their duties as the Company shall think fit.
- (m) Subject to the provisions of clause 4 hereof to pay reasonable annual sums or premiums for or towards the provision of pensions for officers or servants for the time being of the Company or their dependants.
- (n) To amalgamate with any companies, institutions, societies or associations which have objects altogether or mainly similar to those of the Company and prohibit the payment of any dividend or profit to and the distribution of any of their assets amongst their members at least to the same extent as such payments or distributions are prohibited in the case of members of the Company by this Memorandum of Association.
- (o) To pay out of the funds of the Company the costs, charges and expenses of and incidental to the formation and registration of the Company.
- (p) To undertake and execute any charitable trusts which may lawfully be undertaken by the Company and may be necessary for its objects.
- (q) Subject to such consents as may be required by law to borrow or raise money for the purposes of the Company on such terms and on such security as may be thought fit.
- (r) 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 and rights 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 capital, principal, premiums, interest, dividends, costs and expenses on any stocks, shares or securities) by any person, firm or company whatsoever including but not limited to any company which for the time being (a) is the holding company or a subsidiary of the Company or (b) is a holding company or subsidiary of the Company's holding company or (c) is otherwise associated with the Company in its business.
- (s) To invest the monies of the Company not immediately required for its purposes in or upon such investments, securities or property as may be thought fit, subject

nevertheless to such conditions (if any) and such consents (if any) as may for the time being be imposed or required by law and subject also as hereinafter provided.

- (t) To establish and support or aid in the establishment and support of any charitable associations or institutions and to subscribe or guarantee money for charitable purposes in any way connected with the purposes of the company or calculated to further its objects.
- (u) To do all such other things as shall further any or all of the above objects.
- (v) To act as the holding and co-ordinating company of the group of companies of which the Company is from time to time the holding company, and manage and conduct the affairs of any subsidiary.

In this clause 3, "holding company" and "subsidiary" shall have the meanings in section 736 Companies Act 1985 and, without prejudice to the generality of the foregoing, "subsidiary" shall include Islecare 97 Limited (company number 3270405) and Somerset Care at Home Limited (company number 2629492).

4. The income and property of the Company, howsoever derived, shall be applied solely towards the promotion of the objects of the Company as set forth in this Memorandum of Association, and no portion thereof shall be paid or transferred directly or indirectly, by way of dividend, bonus or otherwise howsoever by way of profit to the members of the Company.

Provided that nothing herein shall prevent the payment, in good faith by the Company:

- (a) of reasonable and proper remuneration to any member, director, employee, officer or servant of the Company for any services rendered to the Company;
 - (b) of travelling expenses necessarily incurred in carrying out the duties of any member officer servant or director of the Company;
 - (c) of interest on money lent by any member of the Company or of its Board of Directors at a rate per annum not exceeding 2% less than the base lending rate of a clearing bank to be selected by the Board of Directors;
 - (d) of reasonable and proper rent for premises demised or let by any member of the Company or of its Board of Directors;
 - (e) of fees remuneration or other benefit in money or money's worth to a Company of which a member of its Board of Directors may be a member holding not more than 1/100th part of the capital of such Company.
5. The liability of the members is limited.
 6. Every member of the Company undertakes to contribute to the assets of the Company, in the event of the same being wound up while he or she is a member, or within one year after he or she ceases to be a member, for payment of the debts and liabilities of the Company contracted before he or she ceases to be a member, and of the costs, charges and expenses of winding up, and for the adjustment of the rights of the contributors among themselves such amend as may be required not exceeding £1.
 7. If upon the winding up or dissolution of the Company there remains, after the satisfaction of all the debts and liabilities, any property whatsoever, the same shall not be paid to or distributed among the members of the Company, but shall be given or transferred to a charitable institution or institutions having objects similar to the objects of the Company,

and which shall prohibit the distribution of its or their income and property among its or their members to an extent at least as great as is imposed on the Company under or by virtue of this Memorandum such institution or institutions to be determined by the members of the Company at or before the time of dissolution, and if so far as effect cannot be given to such provision, then to some other charitable object.