

No. 2561344

**The Companies Acts 1985 and 1989**

**Public Company Limited by Shares**

**ARTICLES OF ASSOCIATION**

**of**

**PPP lifetime care plc**

(as adopted by Special Resolution passed on 24th May 2004)



**Regulations of the Company**

- 1 The articles comprise these Articles and, save insofar as it is modified by these Articles, Table A (which expression means that Table as prescribed by regulations made pursuant to the Companies Act 1985 and in force at the date of adoption of these Articles).
- 2 Regulations 8, 24, 53, 54, 60-62 (inclusive), 65-69 (inclusive), 73-80 (inclusive) 87, 89, 90, 93, 100 and 118 in Table A do not apply to the company.
- 3 In these Articles PPP shall mean Private Patients Plan Limited, a company registered in England under number 363254.

**Share Capital**

- 4 The share capital of the company at the date of the adoption of these Articles is £65,000,000 divided into 65,000,000 Ordinary Shares of £1 each ranking pari passu in all respects.
- 5
  - a Subject to paragraph (d) of this Article the directors shall not without the authority of the company in general meeting allot any of the shares in the capital of the company.
  - b Where authority has been given to the directors as referred to in paragraph (a) of this Article to allot shares the directors may subject to the terms of such authority and subject to any terms on which any shares are created or issued allot such shares to such persons (including any directors) at such times and generally on such conditions as they think proper provided that no shares shall be issued at a discount contrary to the Act.

- c In the foregoing paragraphs of this Article references to allotment of shares shall include references to the grant of any right to subscribe for, or to convert any security into, shares.
- d Where authority has been given to the directors as referred to in this Article to grant a right to subscribe for, or to convert any security into, shares the directors may without further authority allot such shares as may require to be allotted pursuant to the exercise of such right.
- e Section 89(1) of the Act is hereby excluded.

### **Variation of Rights**

- 6 The rights attached to any existing shares shall not (unless otherwise expressly provided by the terms of issue of such shares) be deemed to be varied by the creation or issue of further shares ranking *pari passu* therewith or subsequent thereto.

### **Share Certificates**

- 7 In Regulation 6 in Table A there shall be inserted after the word "seal" the following words, namely: "or the official seal of the company".

### **Lien**

- 8 The company shall have a first and paramount lien on all the shares registered in the name of any member (whether solely or jointly with others) for all moneys due to the company from him or his estate, whether solely or jointly with any other person (whether a member or not) and whether such moneys are presently payable or not. *The company's lien on a share shall extend to all dividends or other moneys payable thereon or in respect thereof.* The directors may at any time resolve that any share shall be exempt, wholly or partly, from the provisions of this Article.

### **Calls on Shares**

- 9 The directors may accept from any member the whole or any part of the amount remaining unpaid on any share held by him notwithstanding that no part of that amount has been called up.

### **Transfer of Shares**

- 10 The directors may, in their absolute discretion and without assigning any reason therefor, refuse to register the transfer of a share whether or not it is fully paid.

### **Transmission of Shares**

- 11 There shall be inserted at the end of Regulation 31 in Table A the following proviso, namely: "*provided always that the directors may at any time give notice requiring any such person to elect either to become or to have another person registered as the holder of the share and if the requirements of the notice are not complied with within ninety days the directors may thereafter withhold payment of all dividends, bonuses or other*

moneys payable in respect of the share until the requirements of the notice have been complied with”.

### **Proceedings at General Meetings**

- 12 In Regulation 41 in Table A there shall be inserted after the words “the directors may determine” the following words, namely: “and if at the adjourned meeting such a quorum is not present within half an hour from the time appointed for the meeting, one member present in person or by proxy or (being a corporation) by its duly authorised representative shall be a quorum”.
- 13 A poll may be demanded by any member present in person or by proxy or (being a corporation) by its duly authorised representative. Regulation 46 in Table A shall be construed accordingly.
- 14 A resolution in writing of all the members who would have been entitled to vote upon it if it had been proposed at a general meeting at which they were present shall be as effectual as if it had been passed at a general meeting duly convened and held either
  - a if it consists of an instrument executed by or on behalf of each such member; or
  - b if it consists of several instruments in the like form each either
    - i executed by or on behalf of one or more of such members; or
    - ii sent by or on behalf of one or more of such members by telex or facsimile transmission and deposited or received at the office or received by the secretary.

### **Votes of Members**

- 15 Subject to any rights or restrictions as to voting attached to any shares by the terms on which they were issued or by or in accordance with the articles or otherwise, on a show of hands every member who (being an individual) is present in person or (being a corporation) is present by its duly authorised representative not being himself a member entitled to vote, shall have one vote, and on a poll every member who is present in person or by proxy or (being a corporation) is present by its duly authorised representative shall have one vote for every share of which he is the holder.
- 16 The instrument appointing a proxy shall be in writing in any usual or common form and shall (except in the case of an appointment by telex or a facsimile transmission of an appointment otherwise complying with the requirements of this Article) be executed by the appointor or his attorney duly authorised in writing or in such other form as the directors may approve. A proxy need not be a member of the company.
- 17 The instrument appointing a proxy and the power of attorney or other authority (if any) under which it is executed, or a notarially certified copy of such power or authority, shall be deposited or received at the office (or at such other place in the United Kingdom as is specified for that purpose in any instrument of proxy sent by the company in relation to the meeting) not less than forty-eight hours before the time for

holding the meeting or adjourned meeting at which the person named in the instrument proposes to vote, or handed to the chairman of the meeting or adjourned meeting, and, in default, the instrument of proxy shall be invalid.

### **Delegation of Directors' Powers**

- 18 In Regulation 72 in Table A the following words shall be added:
- a at the end of the first sentence, namely: "and may also appoint to any such committee persons who are not directors provided that the chairman and a majority of such committee shall be directors"; and
  - b following the final sentence, namely: "Any appointment of a director to a committee shall automatically terminate if he ceases to be a director".

### **Retirement, Appointment and Removal of Directors**

- 19 PPP shall have power from time to time and at any time to appoint any person or persons as a director or directors and to remove from office any director howsoever appointed. Any such appointment or removal shall be effected by an instrument which shall be in writing and shall be executed or sent by telex or facsimile transmission by PPP or by its duly authorised attorney or in such other manner as the directors may approve, and shall take effect upon such appointment or removal being deposited or received at the office or received by the secretary or otherwise communicated to the company at the office or being handed or otherwise communicated to the chairman of a meeting of the directors at which a quorum is present.
- 20 Any appointment as a director of someone who is not in the full time employment of the company, or a subsidiary of the company, or PPP or another of PPP's subsidiaries shall be subject to the condition, whether or not expressed as a term of the appointment, that the appointment shall cease automatically at the end of the third annual general meeting of the company following the appointment.

### **Disqualification and Removal of Directors**

- 21 In Regulation 81 in Table A:
- a there shall be inserted after the word "company" in paragraph (d) the following words, namely: ", provided that such action shall be without prejudice to the terms of and to any rights of the company under any contract between the director and the company"; and
  - b paragraph (e) shall be deleted.
- 22 No person is capable of being appointed a director if at the time of his appointment he has attained the age of 70. A director shall vacate his office at the conclusion of the annual general meeting commencing next after he attains the age of 70, but acts done by a person as a director are valid notwithstanding that it is afterwards discovered that his appointment had terminated under this sub-section.

- 23 The office of a director shall automatically be vacated if, being a director of PPP, he ceases to be a director of PPP.

### **Remuneration of Directors**

- 24 The following sentence shall be added at the end of Regulation 82 in Table A, namely: "Any director who serves on any committee, or who devotes special attention to the business of the company, or who otherwise performs services which in the opinion of the directors are in addition to or outside the scope of the ordinary duties of a director (which services shall include, without limitation, visiting or residing abroad in connection with the company's affairs), may be paid such extra remuneration by way of salary, percentage of profits or otherwise as the directors may determine".

### **Directors' Appointments and Interests**

- 25 In Regulation 84 in Table A there shall be substituted for the words "shall not be subject to retirement by rotation" the following words, namely: "shall be subject to the same provisions as to resignation and removal as other directors of the company".

### **Directors' and Employees' Gratuities and Pensions**

- 26 The directors may:-
- a establish and maintain, or procure the establishment and maintenance of, any share option or share incentive or profit sharing schemes or trusts or any non-contributory or contributory pension or superannuation schemes or funds for the benefit of, and may make or give or procure the making or giving of loans, donations, gratuities, pensions, allowances or emoluments (whether in money or money's-worth) to, or to trustees on behalf of, any persons who are or were at any time in the employment or service of the company, or of any company which is a subsidiary of the company, or is allied to or associated with the company or with any such subsidiary, or who are or were at any time directors or officers of the company or of any such other company as aforesaid, and to the wives, husbands, widows, widowers, families and dependants of any such persons;
  - b establish and subsidise or subscribe to any institutions, associations, clubs or funds calculated to be for the benefit of, or to advance the interests and well-being of the company, or of any such other company as aforesaid, or of any such persons as aforesaid;
  - c make payments for or towards policies of assurance on the lives of any such persons and policies of insurance of or in respect of any such persons (including insurance against their negligence) as aforesaid;
  - d pay, subscribe or guarantee money to or for any charitable or benevolent objects, or for any exhibition, or for any political, public, general or useful object; and
  - e do any of the above things either alone or in conjunction with any such other company as aforesaid.

Subject always, if the Act shall so require, to particulars with respect to the proposed payment being disclosed to the members and to the payment being approved by the company, any director shall be entitled to participate in and retain for his own benefit any such loan, donation, gratuity, pension, allowance or emolument.

### **Proceedings of Directors**

27 The Chairman and Group Chief Executive of PPP shall each be entitled to attend every meeting of the directors but shall not be entitled to vote in any proceedings at the meeting.

28 In Regulation 88 in Table A there shall be substituted for the third sentence the following sentences, namely: "Every director of the company and the Chairman and Group Chief Executive of PPP shall be given notice of every meeting of the directors, such notice to be sent to such address as is notified by him to the company for this purpose or otherwise communicated to him personally. Any director may by notice to the company either before or after the meeting waive his right to receive notice of the meeting and any director who either:

a is present at the commencement of a meeting; or

b does not, within 7 days following its coming to his attention that a meeting has taken place without prior notice of such meeting having been given to him pursuant to this Regulation, notify the company that he desires the proceedings at such meeting to be regarded as a nullity,

shall be deemed hereafter to have waived his right to receive notice of such meeting pursuant to this Regulation".

29

a) Any director (other than an alternate director) may appoint any other director, or any other person approved by resolution of the directors and willing to act, to be an alternate director and may remove from office an alternate director so appointed by him.

b) An alternate director shall be entitled to receive notice of all meetings of directors and of all meetings of committees of directors of which his appointor is a member, to attend and vote at any such meeting at which the director appointing him is not personally present, and generally to perform all the functions of his appointor as a director in his absence but shall not be entitled to receive any remuneration from the company for his services as an alternate director. But it shall not be necessary to give notice of such a meeting to an alternate director who is absent from the United Kingdom.

c) An alternate director shall cease to be an alternate director if his appointor ceases to be a director; but, if a director retires by rotation or otherwise but is reappointed or deemed to have been reappointed at the meeting at which he retires, any appointment of an alternate director made by him which was in force immediately prior to his retirement shall continue after his reappointment.

- d) Any appointment or removal of an alternate director shall be by notice to the company signed by the director making or revoking the appointment or in any other manner approved by the directors.
  - e) Any director of the Company who is appointed an alternate director shall be entitled to vote at a meeting of the directors on behalf of the director so appointing him as distinct from the vote to which he is entitled in his own capacity as a director, and shall also be considered as two directors for the purpose of making a quorum of directors when the quorum shall exceed two.
  - f) Save as otherwise provided in the articles, an alternate director shall be deemed for all purposes to be a director and shall alone be responsible for his own acts and defaults and he shall not be deemed to be the agent of the director appointing him."
- 30 A resolution in writing of all the directors or all the members of a committee of directors shall be as effectual as if it had been passed at a meeting of directors or (as the case may be) a committee of directors duly convened and held either:
- a if it consists of an instrument executed by or on behalf of each such director or committee member; or
  - b if it consists of several instruments in the like form each either:
    - i executed by or on behalf of one or more of such directors or committee members; or
    - ii sent by or on behalf of one or more of such directors or committee members by telex or facsimile transmission and deposited or received at the office or received by the secretary.
- 31 The quorum for the transaction of the business of the directors may be fixed by the directors and unless so fixed at any other number shall be two. For the purpose of determining whether a quorum exists for the transaction of the business of the board of directors:
- a in the case of a resolution of directors, who would (if attending a meeting) comprise a quorum, who are in telephonic communication with one another, any such resolution shall be as valid and effectual as if passed at a meeting of the board of directors duly convened and held; and
  - b in the case of a meeting of the board of directors, in addition to the directors present at the meeting, any director in telephonic communication with such meeting shall be counted in the quorum and entitled to vote.
- 32 Subject to any requisite declaration of interest in accordance with the provisions of the Act and (if applicable) Regulation 85 in Table A having been made by him a director may vote as a director in regard to any transaction or arrangement in which he is interested, or upon any matter arising therefrom and Regulation 94 in Table A shall be construed subject to this provision.

33 In Regulation 97 in Table A:-

- a there shall be inserted after the words "the appointment" the following words, namely: "or the terms of appointment"; and
- b the following words shall be deleted, namely: "and be counted in the quorum" and there shall be inserted after the words "his own appointment" the following words, namely: "and shall be counted in the quorum in respect of each resolution including that concerning his own appointment".

### **Minutes**

34 The directors shall cause minutes to be made in books kept for the purpose:-

- a of all appointments of officers made by the directors; and
- b of all proceedings at meetings of the company, of the holders of any class of shares in the company, of the directors, and of committees of directors, including the names of the persons present at each such meeting.

### **The Seal**

35 The company is authorised pursuant to Section 39 of the Act for so long as its objects require or comprise the transaction of business in foreign countries to have an official seal for use in any territory, district, or place elsewhere than in the United Kingdom.

### **Indemnity**

36 Subject to the provisions of the Act, every director, other officer or auditor of the company shall be entitled to be indemnified out of the assets of the company against all costs, charges, expenses, losses or liabilities which he may sustain or incur in or about the execution of his duties to the company or otherwise in relation thereto.