

**THE COMPANIES ACT 1985 TO 1989**

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**PRIVATE COMPANY LIMITED BY SHARES**

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**ARTICLES OF ASSOCIATION****OF****HEALTH & CARE SERVICES (NW) LIMITED**

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**Adopted by Special Resolution dated 16 October 2000****PRELIMINARY**

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- (A) The Regulations contained in Table A in the Schedule to the Companies (Tables A to F) Regulations 1985 as amended by the Companies (Tables A to F) (Amendment) Regulations 1985 (such Table being hereinafter called "Table A") shall apply to the Company save in so far as they are excluded or varied hereby and such Regulations (save as so excluded or varied) and the Articles hereinafter contained shall be the regulations of the Company.
- (B) Any reference in these Articles to "the Act" shall mean the Companies Act 1985 as amended or extended by any other enactment or any statutory re-enactment thereof.

**PRIVATE COMPANY**

- 2 The Company is a private company within the meaning of the Companies Act 1985.

**ALLOTMENT OF SHARES**

- 3 The Directors of the Company are generally authorised for the purposes of Section 80 of the Act to allot, grant options over or otherwise deal with or dispose of the original shares in the capital of the Company at the date of its incorporation to such persons at such times and on such conditions as they think fit, subject to the provisions of that Section and Article 4 hereof and provided that no shares shall be issued at a discount. In accordance with Section 91 of the Act Sections 89(1) and 90(1) to 90(6) of the Act shall not apply to the Company.
- 4 The general authority conferred on the Directors by regulation 3 of these Articles shall extend to all relevant securities (as defined by Section 80 of the Act) in the

capital of the Company at the date of its incorporation during the period of five years from the date upon which the Company was incorporated but the Directors may, after the authority has expired, allot any shares in pursuance of an offer or agreement so to do made by the Company before the authority expired. The authority may be renewed varied or revoked by the Company in General Meeting.

## **SHARES**

- 5 The Company shall have a first and paramount lien on all shares, whether fully paid or not, standing registered in the name of any person indebted or under liability to the Company, whether he shall be the sole registered holder thereof or shall be one of two or more joint holders, for all moneys presently payable by him or his estate to the Company. Regulation 8 in Table A shall be modified accordingly.
- 6 The liability of any Member in default in respect of a call shall be increased by the addition at the end of the first sentence of Regulation 18 in Table A of the words "and all expenses that may have been incurred by the Company by reason of such non-payment".
- 7 Regulation 3 in Table A shall not apply to the Company and subject to the provisions of Chapter VII of Part V of the Act the Company may:
  - (a) with the sanction of an Ordinary Resolution issue shares which are to be redeemed or are liable to be redeemed at the option of the Company or the shareholder.
  - (b) purchase its own shares (including any redeemable shares).
  - (c) make a payment in respect of the redemption or purchase, under Sections 159, 160 or 162 of the Act and the relevant power (a) or (b) above, of any of its own shares otherwise than out of distributable profits of the Company or the proceeds of a fresh issue of shares to the extent permitted by Sections 170, 171 and 172 of the Act.

## **TRANSFER OF SHARES**

- 8 Clause 8 of these Articles shall not apply to any transfer to a person who is already a Member of the Company.
- 9 A Member desiring to transfer shares otherwise than to a person who is already a Member of the Company shall give notice in writing of such intention to the Directors of the Company giving particulars of the shares in question. The Directors as agents for the Member giving such notice may dispose of such shares or any of them to Members of the Company at a price to be agreed between the transferor and the Directors, or failing agreement, at a price fixed by the Auditors of the Company as the fair value thereof. If within twenty-eight days from the date of the said notice the Directors are unable to find a Member or Members willing to purchase all such shares, the transferor may dispose of so many of such shares as shall remain undisposed of in any manner he may think fit within three months from the date of the said notice.

- 10 The instrument of transfer of any shares shall be executed by or on behalf of the transferor who shall be deemed to remain a holder of the share until the name of the transferee is entered in the register of members in respect thereof.

### **GENERAL MEETINGS AND RESOLUTIONS**

- 11 Every notice convening a General Meeting shall comply with the provisions of Section 372 of the Act as to giving information to Members in regard to their right to appoint proxies; and notices of and other communications relating to any General Meeting which any Member is entitled to receive shall be sent to the Directors and to the Auditor for the time being of the Company.
- 12 Regulation 40 in Table A shall be read and construed as if the words, "unless the Company has only one Member in which case one Member present in person or by proxy shall be a quorum" were added at the end.
- 13 Regulation 41 in Table A shall be read and construed as if the words, "and if at the adjourned Meeting a quorum is not present within half an hour from the time appointed for the Meeting, the Meeting shall be dissolved" were added at the end.
- 14 In addition to the requirements of Regulation 100 of Table A, the Directors shall also insert in the minute book of the Company a memorandum of all decisions taken by a sole Member when the Company has only one Member which may have been taken by the Company in General Meeting and which have effect as if agreed in General Meeting.

### **DIRECTORS**

- 15
- (a) The first Director or Directors of the Company shall be the person or persons named as the first Director or Directors of the Company in the statement delivered under Section 10 of the Act.
  - (b) The number of the Directors shall be determined by Ordinary Resolution of the Company but unless and until so fixed there shall be no maximum number of Directors and the minimum number of Directors shall be one. In the event of the minimum number of Directors fixed by or pursuant to these Articles or Table A being one, a sole Director shall have the authority to exercise all the powers and discretions conferred by Table A or these Articles and expressed to be vested in the Directors generally and Regulation 89 in Table A shall be modified accordingly.
  - (c) A Director shall not require any share qualification but shall nevertheless be entitled to attend and speak at any General Meeting of the Company or at any separate class meeting of the holders of any class of shares of the Company.
  - (d) Regulation 64 in Table A shall not apply to the Company.

### **ALTERNATE DIRECTORS**

16

- (a) An alternate Director shall not be entitled as such to receive any remuneration from the Company except only such part (if any) of the remuneration otherwise payable to his appointor as such appointor may by notice in writing to the Company from time to time direct, but shall otherwise be subject to the provisions of these Articles with respect to Directors. An alternate Director shall during his appointment by an Officer of the Company and shall not be deemed to be an agent of his appointor. Regulation 66 in Table A shall be modified accordingly.
- (b) A Director or any other person may act as an alternate Director to represent more than one Director and an alternate Director shall be entitled at meetings of the Directors, or any committee of the Directors, to one vote for every Director whom he represents in addition to his own vote (if any) as a Director.

### **BORROWING POWERS**

- 17 The Directors may exercise all the powers of the Company to borrow money without limit as to the amount and upon such terms and in such manner as they think fit, and to grant any mortgage, charge or standard security over its undertaking, property and uncalled capital, or any part thereof, and, subject (in the case of any security convertible into shares) to Sections 80 and 380 of the Act to issue debentures, debenture stock, and other securities whether outright or as security for any debt, liability or obligation of the Company or of any third party.

### **PROCEEDINGS OF DIRECTORS**

- 18 Subject to the provisions of Section 317 of the Act, Regulation 94 in Table A shall not apply to the Company and 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 present at any meeting when any such contract or arrangement is under consideration.
- 19 It shall not be necessary for Directors to sign their names in any book which may be kept for the purpose of recording attendance at meeting.

### **DISQUALIFICATION OF DIRECTORS**

- 20 The office of a Director shall be vacated if he becomes incapable by reason of illness or injury of managing and administering his property and affairs and Regulation 81 of Table A shall be modified accordingly.

### **ROTATION OF DIRECTORS**

- 21 The Directors shall not be required to retire by rotation nor shall the Directors or any of them be required to retire from office at the first annual general meeting and Table A shall be modified accordingly.

## **THE SEAL**

- 22 If the Company has a seal it shall be used only with the authority of the Directors or of a committee of the Directors. The Directors may determine who shall sign any instrument to which the seal is affixed and unless otherwise so determined it shall be signed by a Director and by the Secretary or by a second Director. The obligation under Regulation 6 of Table A relating to the sealing of share certificates shall apply only if the Company has a seal. Regulation 101 in Table A shall not apply to the Company.

## **INDEMNITY**

- 23
- (a) Regulation 118 in Table A shall not apply to the Company. Every Director or other officer of the Company shall be indemnified out of the assets of the Company against all losses or liabilities which he may sustain or incur in or about the execution and discharge of the duties of his office or otherwise in relation thereto, including any liability incurred by him in defending any proceedings, whether civil or criminal, in which judgment is given in his favour or in which he is acquitted or in connection with any application under Sections 144 or 727 of the Act in which relief is granted to him by the court, and no Director or other officer shall be liable for any loss, damage or misfortune which may happen to or be incurred by the Company in the execution of the duties of his office or in relation thereto. But this Article shall only have effect in so far as its provisions are not avoided by Section 310 of the Act.
  - (b) The Directors shall have power to purchase and maintain at the expense of the Company an insurance policy for any Director (including an alternate Director), Officer or Auditor of the Company against any such liability as is referred to in Section 310(1) of the Act.

**NAME AND ADDRESS OF SUBSCRIBER**

SEVERNSIDE NOMINEES LIMITED  
193/195 City Road,  
London  
EC1V 1JN  
(Signed by an officer of the Company)

**DATED** the 16th of August, 1993

**WITNESS** to the above Signature:

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PHILIP WILSON  
21/27 City Road  
Cardiff  
CF2 3BJ