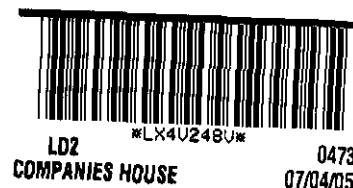


## COMPANIES ACT 1985

PRIVATE COMPANY LIMITED BY SHARE



## MEMORANDUM OF ASSOCIATION

- of -

APPLESHAW (FAYGATE HOLDINGS) LIMITED<sup>1</sup>

- 1 The Company's name is **APPLESHAW (REIGATE) LIMITED**.
- 2 The Company's registered office is to be situated in England and Wales.
- 3 The Company's objects are:
  - 3.1 To carry on all or any part of the business or businesses of providing serviced living and care services of all kinds and to establish, equip, conduct, manage and operate residential and nursing homes in all its branches; to purchase, rent, lease, hire, exchange or otherwise acquire any land, buildings, structures, equipment, or items of any description which in the opinion of the company would be for the benefit of such residential homes and nursing homes, and to establish, licence, furnish and completely equip them and to sell, let or sub-let rooms and suites, and on such terms as the company may decide; to afford to them all the usual social, medical, nursing and other attentions required together with all the advantages and privileges usual to such establishments or otherwise, and to provide facilities for occupational therapy, health, beauty and fitness, music, concerts, recordings and other entertainments, and to employ staff, executives, doctors, nurses and others specialising in the care and attention of all the aforesaid, all as the company sees fit.
  - 3.2 To deal generally with goods, products and material of every description required for any business carried on by the Company acting as distributors, dealers, wholesalers, retailers, importers, exporters or otherwise, and to assemble, process, buy, sell, exchange, hire, hire out, repair, service, maintain, alter, improve, manipulate, prepare for market and otherwise deal with them; to demonstrate, contract advertise, finance, insure and underwrite in relation thereto, and to do all or any of the above
  - 3.3 To carry on any other business which may seem to the Company capable of being conveniently carried on in connection with any business of the Company or cal-

<sup>1</sup> The Company's name was changed by written resolution dated 4<sup>th</sup> April 2005 from Appleshaw (Reigate) Limited to Appleshaw (Faygate Holdings) Limited

culated directly or indirectly to enhance the value of or render profitable any of the Company's property or assets.

- 3.4 To acquire and take over the whole or any part of the business, property and liabilities of any company or person carrying on any business which the Company is authorised to carry on, or possessed of any property or assets suitable for the purposes of the Company.
- 3.5 To purchase, take on lease or in exchange, hire or otherwise acquire any real or personal property, patents, licences, rights or privileges which the Company may think necessary or convenient for the purposes of its business, and to construct, maintain and alter any buildings or works necessary or convenient for the purposes of the Company.
- 3.6 To pay for any property or assets acquired by the Company either in cash or fully or partly paid shares or by the issue of securities or obligations or partly in one mode and partly in another and generally on such terms as may be determined.
- 3.7 To borrow or raise or secure the payment of money in such manner and upon such terms as the Company may think fit, and for any of such purposes to mortgage or charge the undertaking and all or any part of the property and rights of the Company, both present and future including uncalled capital, and to create and issue redeemable debentures or debenture stock, bonds or other obligations.
- 3.8 To stand surety for or guarantee, support or secure the performance of all or any of the obligations of any person, firm or company whether by personal covenant or by mortgage, charge or lien upon the whole or any part of the undertaking, property and assets of the Company, both present and future, including its uncalled capital or by both such methods; and, in particular, but without prejudice to the generality of the foregoing, to guarantee, support or secure whether by personal covenant or by any such mortgage, charge or lien as aforesaid or by both such methods the performance of all or any of the obligations (including the repayment or payment of the principal and premium and interest on any securities) of any company which is for the time being the Company's holding company (as defined by Section 736 of the Companies Act 1985) ("the Act") or another subsidiary (as defined by the said Section) of any such holding company or a subsidiary (as defined by the said Section) of the Company.
- 3.9 To lend and advance money or give credit on any terms and with or without security to any person, firm or company including, without prejudice to the generality of the foregoing, any holding company, subsidiary or fellow subsidiary of, or any other company associated in any way with, the Company.
- 3.10 To invest and deal with the moneys of the Company not immediately required in such manner as may from time to time be determined and to hold or otherwise deal with any investments made.
- 3.11 To issue and deposit any securities which the Company has power to issue by way of mortgage to secure any sum less than the nominal amount of such securities, and also by way of security for the performance of any contracts or obligations of the Company or of its customers or of any other person or company having

dealings with the Company, or in whose business or undertaking the Company is interested.

- 3.12 To establish and maintain, or procure the establishment and maintenance of, any non-contributory or contributory pension or superannuation funds for the benefit of, and to give or procure the giving of donations, gratuities, pensions, allowances or emoluments to 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 any such subsidiary or of any company which is a predecessor in business of the Company or of any such other company as aforesaid, or any persons who are or were at any time directors or officers of the Company, or of any such other company as aforesaid, and the spouses, widows, widowers, families and dependants of any such persons, and also to establish and subsidise or subscribe to any institutions, associations, clubs or funds calculated to be for the benefit of or advance the interests and well being of the Company or of any such other company as aforesaid, or of any such persons as aforesaid, and to make payments for or towards the insurance of any such persons as aforesaid, and to subscribe or guarantee money for any charitable or benevolent object or for any exhibition or for any public, general or useful object, and to do any of the matters aforesaid, either alone or in conjunction with any such other company as aforesaid.
- 3.13 To enter into any partnership or arrangement in the nature of a partnership, co-operation or union of interests, with any person or company engaged or interested or about to become engaged or interested in the carrying on or conduct of any business which the Company is authorised to carry on or conduct or from which the Company would, or might derive any benefit, whether direct or indirect.
- 3.14 To establish or promote, or join in the establishment or promotion of, any other company whose objects shall include the taking over of any of the assets and liabilities of the Company, or the promotion of which shall be calculated to advance its interests, and to acquire and hold any shares, securities or obligations of any such company.
- 3.15 To amalgamate with any other company.
- 3.16 To sell or dispose of the undertaking, property and assets of the Company or any part thereof, in such manner and for such consideration as the Company may think fit, and in particular for shares (fully or partly paid up), debentures, debenture stock, securities or obligations of any other company, whether promoted by the Company for the purpose or not, and to improve, manage, develop, exchange, lease, dispose of, turn to account or otherwise deal with all or any part of the property and assets of the Company.
- 3.17 To distribute any of the Company's property or assets among the members in specie.
- 3.18 To cause the Company to be registered or recognised in any foreign country.
- 3.19 To do all or any of the above things in any part of the world, and either as principal, agent, trustee or otherwise, and either alone or in conjunction with others, and by or through agents, subcontractors, trustees or otherwise.

- 3.20 To do all such other things as are incidental or the Company may think conducive to the attainment of the above objects or any of them.

And it is hereby declared that the word 'company' in this Clause, except where used in reference to this Company, shall be deemed to include any partnership or other body of persons, whether incorporated or not incorporated, and whether domiciled in the United Kingdom or elsewhere, and that the intention is that each of the objects specified in each paragraph of this Clause shall, except where otherwise expressed in such paragraph, be an independent main object and not be limited or restricted by reference to or inference from the terms of any other paragraph or the name of the Company.

- 4 The liability of the members is limited.

- 5 The Company's share capital is £1,000 divided into 1,000 ordinary shares of £1.00 each.

We, the subscriber 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 name.

Name and Address of Subscriber	Number of shares taken by Subscriber
Appleshaw Group Limited 10 Norwich Street London EC4A 1BD	1
Total shares taken	<hr/> 1

Dated: 12 September 2003.

Witness to the above signature,

John Stephen David Evans  
Courtyard Cottage  
4 The Toft  
Toft Road  
Knutsford  
WA16 9EH

# **COMPANIES ACT 1985**

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## **PRIVATE COMPANY LIMITED BY SHARES**

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### **ARTICLES OF ASSOCIATION**

- of -

### **APPLESHAW (FAYGATE HOLDINGS) LIMITED**

#### **INTRODUCTORY**

- 1.1 The Regulations contained or incorporated 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 and The Companies Act 1985 (Electronic Communications) Order 2000 (hereinafter called "Table A") shall apply to the Company, save insofar as they are varied or excluded by or are inconsistent with the following Articles.
- 1.2 In Regulation 1 of Table A, the words "and in Articles of Association adopting the same" shall be inserted after the word "regulations" in the last paragraph of that Regulation and the sentence "Any reference to any statutory provision shall be deemed to include a reference to each and every statutory amendment, modification, re-enactment and extension thereof for the time being in force" shall be inserted at the end of that Regulation.
- 1.3 Regulations 40, 73 to 77 (inclusive), 80, 90, 94 to 98 (inclusive) and 118 of Table A shall not apply to the Company
- 2 In these Articles, the expression "the Controlling Shareholder" means the registered holder for the time being of more than one half in nominal value of the issued ordinary share capital of the Company and includes (for the avoidance of doubt) any member holding all of the issued ordinary share capital of the Company and the expression "the Nominee" means any person holding shares in the Company as nominee or otherwise on trust, for the Controlling Shareholder.

#### **SHARE CAPITAL**

- 3 The current share capital of the Company is £1,000 divided into 1,000 Ordinary Shares of £1.00 each.
- 4.1 No share or beneficial interest in a share shall be issued or allotted to any person other than the Controlling Shareholder or some other person expressly approved by the Controlling Shareholder in writing, but subject to that all the unissued shares

for the time being in the capital of the Company shall be at the disposal of the Directors who may allot, grant options over or otherwise dispose of them to such persons, at such times and on such terms and conditions as they think proper, subject to Section 80 of the Act and provided that no share shall be issued at a discount.

- 4.2 The Directors are authorised, for the purposes of Section 80 of the Act, to allot and issue relevant securities (as defined in Section 80(2) of the Act) up to an aggregate nominal value of £999. This authority shall expire on the fifth anniversary of the date of the Company's incorporation, unless previously revoked, renewed or varied by the Company in general meeting.
- 4.3 The Directors shall be entitled, pursuant to the authority conferred by Article 4.2 or any renewal or variation of such authority, to make at any time prior to its expiry any offer or agreement which would or might require relevant securities to be allotted after such expiry and to allot relevant securities pursuant to any such offer or agreement.
- 4.4 The provisions of Sections 89(1) and 90(1) to (6) of the Act shall not apply to the Company.

#### **TRANSFER OF SHARES**

- 5.1 The Directors may, in their absolute discretion and without giving any reason, refuse to register the transfer of any share in the capital of the Company, whether fully or partly paid save that the Directors shall be obliged to register any transfer of shares made to or by, or with the express written consent of the Controlling Shareholder, or made pursuant to Article 5.2. In its application to the Company Regulation 24 of Table A shall be modified by the deletion of the first sentence.
- 5.2 The Controlling Shareholder may at any time by notice given to the Nominee at the registered address of the Nominee shown in the Register of Members of the Company require the Nominee to transfer all or any shares registered in his name to the Controlling Shareholder or any other person specified in the notice for no consideration. If the Nominee shall fail, within 48 hours after service of the notice, to transfer the shares in question, the Directors may authorise any person to execute on behalf of and as attorney for the Nominee any necessary instrument of transfer and shall cause the name of the transferee to be entered in the Register as the holder of the shares in question. After the name of the transferee has been entered in the Register in purported exercise of these powers, the validity of the proceedings shall not be questioned by any person.

#### **GENERAL MEETINGS**

- 6 No business shall be transacted at any general meeting unless a quorum of members is present at the time when the meeting proceeds to business. One member holding more than one half in nominal value of the issued ordinary share capital of the Company for the time being and present in person or by proxy or representative shall constitute a quorum and shall be deemed for this purpose to constitute a valid meeting but, save in such a case two members present in person or by proxy or representative shall be a quorum.

## **DIRECTORS**

- 7 In its application to the Company, Regulation 64 of Table A shall be modified by the deletion of the word "two" and the substitution of the word "one".
- 8 The Controlling Shareholder shall have the right at any time and from time to time to appoint one or more persons to be a Director or Directors of the Company. Any such appointment shall be effected by notice in writing to the Company by the Controlling Shareholder and the Controlling Shareholder may in like manner at any time and from time to time remove from office any Director (whether or not appointed by him or it pursuant to this Article).
- 9 In its application to the Company, Regulation 65 of Table A shall be modified by the deletion of the words "approved by resolution of the Directors and".
- 10.1 In its application to the Company, Regulation 78 of Table A shall be modified by the deletion of the words "... and may also determine the rotation in which any additional Directors are to retire".
- 10.2 In its application to the Company, Regulation 79 of Table A shall be modified by the deletion of the second and third sentences.
- 10.3 In its application to the Company, Regulation 84 of Table A shall be modified by the deletion of the third and final sentences.
- 11 In its application to the Company, Regulation 81 of Table A shall be modified by the deletion of paragraph (e) and the substitution of the following paragraph:-
- “(e) he is removed from office under the provisions of Article 8 of the Company’s Articles of Association.”

## **PROCEEDINGS OF DIRECTORS**

- 12 The continuing Directors or a sole continuing Director may act notwithstanding any vacancies in their number. A sole Director shall have authority to exercise all powers and discretions vested in the Directors and, in its application to the Company, Regulation 89 of Table A shall be modified accordingly.
- 13 A Director may vote at a meeting of the Directors, and form part of a quorum present at that meeting, in relation to any matter in which he has, directly or indirectly, an interest or duty which conflicts or which may conflict with the interests of the Company, provided that he has previously disclosed the nature of such duty or interest to the Directors. The provisions of Regulation 86 of Table A shall be taken to apply equally to any disclosure to be made under the provisions of this Article.

## **EXECUTION OF DOCUMENTS**

- 14 In its application to the Company, Regulation 101 of Table A shall be modified by the addition of the following sentence:-



"Any instrument expressed to be executed by the Company and signed by two Directors or one Director and the Secretary by the authority of the Directors or of a committee authorised by the Directors shall (to extent permitted by the Act) have effect as if executed by affixing the seal."

## INDEMNITY

- 15 Subject to section 310 of the Act:-
- 15.1 every Director or other officer of the Company shall be entitled to 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 of the duties of his office or otherwise in relation to his office, 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 Section 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 otherwise in relation to his office;
- 15.2 the Company may purchase and maintain insurance for any such Director or other officer against any liability which by virtue of any rule of law would otherwise attach to him in respect of any negligence, default, breach of duty or breach of trust of which he may be guilty in relation to the Company.

## ELECTRONIC COMMUNICATIONS

- 16 Any Director who participates in the proceedings of a meeting by means of an electronic communication by which all the other Directors present at such meeting (whether in person or by alternate or by means of electronic communication) may hear at all times such Director and such Director may hear at all times all other Directors present at such meeting (whether in person or by alternate or by means of electronic communication) shall be deemed to be present at such meeting and shall be counted when reckoning a quorum.
- 17 In their application to the Company, Regulations 60 and 61 of Table A shall be modified by the addition of the following sentence:-
- "The appointment of a proxy may be contained in an electronic communication sent to such address (including any number) as may be notified by or on behalf of the Company for that purpose and may be in such form as the Directors may approve including requirements as to the use of such discrete identifier or provision of such other information by a member so as to verify the identity of such member and as to the authenticity of any electronic signature thereon."
- 18 In its application to the Company, Regulation 62 of Table A shall be modified by the addition of the following sentences:-
- "In the event that more than one appointment of a proxy relating to the same share is so delivered or received for the purposes of the same meeting, the appointment last delivered or received (whether in writing or contained in an electronic

communication) shall prevail in conferring authority on the person named therein to attend the meeting and vote.

An appointment of proxy contained in an electronic communication found by the Company to contain a computer virus shall not be accepted by the Company and shall be invalid.”

- 19 In its application to the Company, Regulation 115 of Table A shall be modified by the addition of the following after the words “after the time it was sent” at the end of the third sentence:-

“notwithstanding that the Company is aware of the failure in delivery of such electronic communication. Without prejudice to such deemed delivery, if the Company is aware of the failure in delivery of an electronic communication and has sought to give notice by such means at least three times, it shall send the notice in writing by post within 48 hours of the original attempt”.

Name and Address of Subscriber
<p>Appleshaw Group Limited 10 Norwich Street London EC4A 1BD</p>

Dated: 12 September 2003

WITNESS to the above signature:-

John Stephen David Evans  
Courtyard Cottage  
4 The Toft  
Toft Road  
Knutsford  
WA16 9EH