

**THE COMPANIES ACT 1985 AND 1989**

**LA PIERRE CARE HOMES LIMITED**

**(Company No. 2647567)**

**(the "Company")**



**WRITTEN RESOLUTIONS**

We, the undersigned, being all the holders of the issued shares in the Company who have the right to vote at general meetings of the Company, or the duly authorised representatives of such holders, agree to the following special resolutions of the Company, a copy of which has been sent to the auditors of the Company in accordance with section 381B of the Companies Act 1985:

1. **THAT** notwithstanding any existing provisions of the Memorandum or Articles of Association of the Company and notwithstanding any personal interests, it is in the best interests and to its direct benefit that the Company enter into a guarantee (the "**Guarantee**"), by way of an accession deed (the "**Accession Deed**"), between, inter alios, the Company and certain of its subsidiaries (together the "New Obligors") and RBS Mezzanine Limited (acting in its capacity as security agent for the Noteholders under the Note Finance Documents (the "Security Agent") under which each New Obligor agrees to become a Guarantor under the Instrument and therefore agrees to guarantee punctual performance of the Obligors' obligations by each Obligor under the Instrument (as defined therein) and undertakes that when any amount due under or in connection with the Instrument is not paid, immediately to pay on demand that amount, and to indemnify each Note Finance Party immediately on demand against any cost, loss or liability suffered by the Note Finance Party if the guarantee or any obligation given by it is or becomes unenforceable, invalid or illegal be bound by the terms of the Instrument as a Guarantor. The Board of Directors of the Company be and it is hereby specifically empowered, authorised and directed to create and issue the Guarantee.
2. **THAT** the Memorandum of Association of the Company with respect to its objects be and they are hereby altered as follows:
  - a. by the insertion in Clause 3 of a new sub-clause to be designated 3.(j) in the following terms:

3.(j) To give financial assistance (within the meaning of Section 152(1)(a) Companies Act 1985) for any such purpose as is specified in Section 151(1) and/or 151(2) of that Act, while the Company remains a private company, and subject to the provisions of the Companies Act 1985.
  - b. by renumbering the remaining sub-clauses of Clause 3 accordingly
3. **THAT** the Articles of Association of the Company be amended by the deletion of Article 4, being the application of the lien conferred by Regulation 8 in Table A (subsequent clause numbering to be amended accordingly), the renumbering of article 1 to become 1.1 and the insertion of an Article 1.2 as follows: "Regulation 8 of Table A shall not apply to the Company".

4. **THAT** the Articles of Association be amended by the insertion of a new Article 14 in the following terms:

"Notwithstanding anything otherwise provided in these articles (whether by way of or in relation to pre-emption rights, restrictions on, or conditions applicable to, share transfers, or otherwise), the directors shall not decline to register any transfer of shares nor suspend registration thereof:

- (a) where such a transfer is in favour of a person who has made or is proposing to make loan facilities available to the Company or to any person of which the Company is a subsidiary (as defined in section 736 of the Companies Act 1985) (a "Lender") or in favour of any nominee of a Lender and the transfer is as contemplated by, or pursuant to, any mortgage or charge of shares or any call or other share option granted in favour of the Lender; or
- (b) where such transfer is by or on behalf of a Lender or any nominee of a Lender in favour of any third party upon disposal or realisation of shares following the Lender having become entitled to exercise or enforce its rights under any such mortgage, charge, and/or call or other option

and a certificate of the Lender that the relevant transfer is within paragraph (a) or (b) above shall be conclusive evidence of that fact."

Dated: 30<sup>th</sup> October 2001

  
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**Craegmoor Group Limited**