

No. 3893502

**THE COMPANIES ACT 1985 COMPANY LIMITED BY SHARES WRITTEN  
RESOLUTIONS OF:**

**PRIORY SPECIALIST HEALTH DIVISION LIMITED**  
(the "Company")

The undersigned, being the sole member of the Company and accordingly, the only person entitled to receive notice of and to attend and vote at meetings of the Company hereby signify, pursuant to Section 381A of the Companies Act 1985 (the "Act"), our assent to the passing of the resolutions set out below to the effect that such resolutions shall be deemed to be valid and effective as if the same had been passed at the general meeting of the Company duly convened.

**BACKGROUND**

- A. It was noted that Priory Healthcare Acquisition Co. Limited ("**Priory**") is to acquire all the issued share capital of the Company (the "**Acquisition**") and that, in connection with the Acquisition, Priory had negotiated a facilities agreement dated as of 22<sup>nd</sup> May, 2002, entered into between Priory and others, and The Royal Bank of Scotland plc as Agent, Trustee and Issuing Bank (each term as defined therein) (the "**Facilities Agreement**"). Pursuant to the terms of the Facilities Agreement, the lenders party thereto had agreed, subject to certain conditions, to make available to, inter alia, Priory:
- (a) a term loan facility in an amount of £190,000,000;
  - (b) a capex facility in an amount of £55,000,000; and
  - (c) a revolving credit facility in an amount of £10,000,000,
- and together the "**Facilities**".
- B. It was reported that one of the obligations of Priory under the Facilities Agreement was to procure that the Company and certain of its subsidiaries accede to the Facilities Agreement and to a Debenture and provide guarantees and other security in support of the Facilities.

**SPECIAL RESOLUTIONS**

The member of the Company passes the following resolutions:

1. THAT, subject to compliance with sections 155-158 of the Companies Act 1985 (the "Act") the giving by the Company of the financial assistance for the purposes of the Acquisition in the form described in the statutory declaration sworn by the directors of the Company pursuant to section 155(6) of the Act be approved:
2. THAT, the execution, delivery and performance by the Company of:



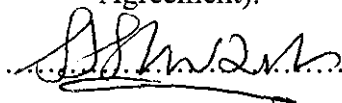
- (a) an accession agreement to the Facilities Agreement pursuant to which the Company agrees to become an Obligor under the Facilities Agreement and to guarantee the obligations of the other Obligors under the Facilities Agreement (the "**Guarantee**");
- (b) an accession agreement to a debenture in favour of the Finance Parties pursuant to which the Company will create fixed and floating charges over all its assets and undertaking by way of security for the Secured Liabilities (as that term is defined in the Debenture) (the "**Debenture**"); and
- (c) an accession agreement to the trust agreement to be entered into by, among others, Priory and RBS as Trustee (the "**Trust Agreement Accession**"),

be and are hereby approved,

(the Guarantee, the Debenture and the Trust Agreement Accession together being referred to as the "**Assistance Documents**").

- 3. THAT the execution, delivery and performance by the Company of the Assistance Documents is in the best interests of the Company.
- 4. THAT approval for the Company to enter into the Assistance Documents be and is given; notwithstanding that the Company might be held to be giving financial assistance for the purposes of sections 151 and 152 of the Companies Act 1985.
- 5. THAT the articles of association of the Company be amended by the deletion of the following article:

"No payment or distribution may be declared, made or paid on any share in the capital of the Company to the extent prohibited by the Finance Documents at any time whilst the Finance Documents remain in full force and effect, except to the extent that the Finance Documents are terminated or the duties and/or obligations of the Company under the Finance Documents are waived or discharged by the Majority Banks (as defined in the Senior Facility Agreement)."

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For Priory Healthcare Holdings Limited

Date: 10 June, 2002

#### **Notice to members**

A copy of these resolutions has been sent to the Company's auditors, PricewaterhouseCoopers, pursuant to Section 381B of the Act.

*S. J. M. ...*

Director/Secretary