

THE COMPANIES ACTS 1985 – 2006

COMPANY LIMITED BY SHARES

WRITTEN RESOLUTION
OF
RIDER HOUSE LIMITED
(the "Company")



Please read the notes at the end of this document

Pursuant to Chapter 2 of Part 13 of the Companies Act 2006, the sole Director of the Company proposes that the following resolutions be passed as special resolutions.

In these resolutions, Group shall mean: the Company, Elder Homes Bingley LLP (Partnership No: OC349564), Elder Homes Leeds LLP (Partnership No: OC350106), Elder Homes Bradford Limited (Company No: 06969657) and Elder (U.K.) Limited (Company No: 03010715).

SPECIAL RESOLUTIONS

1. THAT:

- 1.1. the following matters relating to David Hetherington Messenger (in his capacity as a director of the Company) which would be an infringement of a director's duty under section 175 of the Companies Act 2006 are authorised in accordance with section 180(4) of that Act:

It is authorised that David Hetherington Messenger be a director of the Company and participates at the board meeting of the Company on today's date (including decision making at this board meeting, voting and counting in the quorum of the board meeting) which will consider:

- 1.1.1. the Company and Elder (U.K.) Limited's repayment of all their indebtedness to Abbey National Plc on today's date;
- 1.1.2. that to allow this repayment to take place Elder (U.K.) Limited would need to take a loan from Alliance & Leicester Plc (who were part of the Santander Group) (the "Bank") (the "Refinance");

- 1.1.3. that as part of the funding provided by the Bank for the Refinance, the Company would be providing security to the Bank for both its obligations and the obligations of Elder (U.K.) Limited to the Bank;
- 1.1.4. that other members in the Group and David Hetherington Messenger were completing acquisitions on today's date which were being funded by the Bank and that as part of this funding, the Company would need to enter into security documents with the Bank for the obligations of the Group and David Hetherington Messenger to the Bank;
- 1.1.5. that in addition, in order for the Group to fund the above acquisitions and for working capital purposes of the Group following completion of the above Acquisitions Elder Homes Bradford Limited would need to obtain £500,000 funding from its shareholder, £250,000 of which was provided on 3 November 2009, to be used for the purposes of funding the above acquisitions and payment of associated costs ("**DHM Loan**"). The DHM Loan would be interest free and repayable on demand (but subject to a subordination deed to be entered into with the Bank).
- 1.1.6. that in addition the Company would need to enter into an intra group loan agreement on today's date ("**Intra Group Loan Agreement**") with the other members of the Group pursuant to which monies may be loaned between members of the Group for the purposes of the acquisitions to be completed on today's date by the Group and for working capital purposes (the DHM Loan may be loaned between the Group pursuant to the Intra Group Loan Agreement). Again such intra group loans would be interest free and repayable on demand;
- 1.1.7. the entry by the Company into the Refinance (and documents related to this), the funding to be provided by the Bank to the Group (and documents related to this) and the Intra Group Loan Agreement;
- 1.1.8. all issues arising in connection with the above,

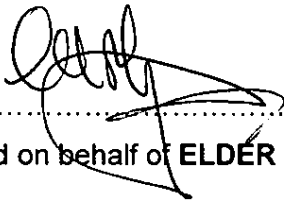
together the "**Proposed Transactions**".

- 1.2. the authorisation detailed above is given notwithstanding that David Hetherington Messenger is a shareholder and Director of the Elder Group of companies (including Elder (U.K.) Limited and Elder Homes Bradford Limited) and a Designated Member of both Elder Homes Bingley LLP and Elder Homes Leeds LLP and that David Hetherington Messenger has involvement in his personal capacity in the Proposed Transactions and notwithstanding that the Proposed Transactions could also be of benefit to these other entities and to David Hetherington Messenger personally.

- 1.3. Any benefit which David Hetherington Messenger obtains as a result of the Proposed Transactions is also authorised and approved.

Signed by, or by its duly authorised representatives on behalf of, all of the members of the Company who as at the date of these resolutions would be entitled to attend and vote at a general meeting had the resolutions been put to such a meeting.

The undersigned being all of the persons who are entitled to vote on the above resolutions on the date of circulation of them, irrevocably votes in favour of them.



For and on behalf of **ELDER (U.K.) LIMITED**

Dated

8 December 2009

Notes :

1. The resolutions are proposed as special resolutions and each requires members holding 75 per cent of the total voting rights of members entitled to vote on the resolutions to vote in favour of them to be passed.
2. The date of circulation of the resolutions is 8 December 2009. Unless the resolutions are passed before the end of the period 28 days beginning with that date, they will lapse. If you agree to the resolutions please ensure your agreement reaches us before they lapse.
3. If you agree with the resolutions, please indicate your agreement to them by signing and dating this document where indicated above and returning it by post or hand delivery to David Hetherington Messenger at The Counting House, Nelson Street, Kingston Upon Hull, Humberside, HU1 1XE
4. Once you have agreed to the resolutions you may not revoke your agreement.
5. If you wish to vote in favour of any of the resolutions but not the others, delete those which you do not wish to support. If you do not agree to any of the resolutions, you do not need to do anything.
6. If you are signing this document on behalf of a person under a power of attorney or other authority please send a copy of the relevant power of attorney or authority when returning this document.