

WRITTEN RESOLUTION

of

ALPHA HOSPITALS LIMITED

Private Company Limited by Shares

Company No. 04590303 (the Company)

Circulation Date: 19 AUGUST 2015

Passed On: 19 AUGUST 2015

We, being the sole shareholder of the Company who at the date of the resolution set out below are to be regarded as being entitled to attend and vote on such resolution as if they had been proposed in a general meeting of the Company **HEREBY PASS** pursuant to Chapter 2 of Part 13 of the Companies Act 2006, the following resolution (the **Resolution**) and agree that the Resolution shall for all purposes be as valid and effective as if the same had been passed at a general meeting of the Company duly convened and held

Special Resolution

THAT the draft Articles of Association attached as Schedule 1 of this Resolution be adopted as the new Articles of Association of the Company in substitution for, and to the exclusion of, the existing Articles of Association of the Company

Agreement

Please read the notes at the end of this document before signifying your agreement to the Resolution

The undersigned, being all of the shareholders entitled to vote on the above Resolution on the circulation date, irrevocably agree to the Resolution

Signature of the Shareholders

Signed by

for and on behalf of Alpha Hospitals Holdings
Limited



Director

19 AUGUST 2015

Date



**ARTICLES OF ASSOCIATION
OF
ALPHA HOSPITALS LIMITED
(As adopted by special resolution passed on 19 August 2015)**

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THE COMPANIES ACT 2006
PRIVATE COMPANY LIMITED BY SHARES
ARTICLES OF ASSOCIATION
OF
ALPHA HOSPITALS LIMITED
(Adopted by special resolution passed on 19 August 2015)

INTRODUCTION

1 INTERPRETATION

1.1 In these Articles, unless the context otherwise requires

Act: means the Companies Act 2006,

appointor: has the meaning given in Article 14.1,

Articles: means the company's articles of association for the time being in force,

business day: means any day (other than a Saturday, Sunday or public holiday in the United Kingdom) on which clearing banks in the City of London are generally open for business,

Conflict: has the meaning given in Article 10.1,

eligible director: means a director who would be entitled to vote on the matter at a meeting of directors (but excluding any director whose vote is not to be counted in respect of the particular matter), and

Interested Director: has the meaning given in Article 10.1,

Model Articles: means the model articles for private companies limited by shares contained in Schedule 1 of the Companies (Model Articles) Regulations 2008 (*SI 2008/3229*) as amended prior to the date of adoption of these Articles,

shares: means the ordinary shares of £1 00 each in the capital of the company

- 1 2 Save as otherwise specifically provided in these Articles, words and expressions which have particular meanings in the Model Articles shall have the same meanings in these Articles, subject to which and unless the context otherwise requires, words and expressions which have particular meanings in the Act shall have the same meanings in these Articles
- 1 3 Headings in these Articles are used for convenience only and shall not affect the construction or interpretation of these Articles
- 1 4 A reference in these Articles to an "article" is a reference to the relevant article of these Articles unless expressly provided otherwise
- 1 5 Unless expressly provided otherwise, a reference to a statute, statutory provision or subordinate legislation is a reference to it as it is in force from time to time, taking account of
- (a) any subordinate legislation from time to time made under it, and
 - (b) any amendment or re-enactment and includes any statute, statutory provision or subordinate legislation which it amends or re-enacts
- 1 6 Any phrase introduced by the terms **including, include, in particular** or any similar expression shall be construed as illustrative and shall not limit the sense of the words preceding those terms
- 1 7 The Model Articles shall apply to the company, except in so far as they are modified or excluded by these Articles. In the event of any conflict between the Model Articles and these Articles, the provisions of Articles will prevail
- 1 8 Articles 8, 9(1) and (3), 11(2) and (3), 13, 14(1), (2), (3) and (4), 17(2), 26(5), 44(2), 49, 52 and 53 of the Model Articles shall not apply to the company
- 1 9 Article 7 of the Model Articles shall be amended by
- (a) the insertion of the words "for the time being" at the end of article 7(2)(a), and
 - (b) the insertion in article 7(2) of the words "(for so long as he remains the sole director)" after the words "and the director may"
- 1 10 Article 20 of the Model Articles shall be amended by the insertion of the words "(including alternate directors) and the secretary" before the words "properly incur"

- 1 11 In article 25(2)(c) of the Model Articles, the words "evidence, indemnity and the payment of a reasonable fee" shall be deleted and replaced with the words "evidence and indemnity"
- 1 12 Article 27(3) of the Model Articles shall be amended by the insertion of the words ", subject to article 10," after the word "But"
- 1 13 Article 29 of the Model Articles shall be amended by the insertion of the words ", or the name of any person(s) named as the transferee(s) in an instrument of transfer executed under article 28(2)," after the words "the transmittee's name"
- 1 14 Articles 31(1)(a) to (c) (inclusive) of the Model Articles shall be amended by the deletion, in each case, of the words "either" and "or as the directors may otherwise decide" Article 31(d) of the Model Articles shall be amended by the deletion of the words "either" and "or by such other means as the directors decide"

SHARES

2 SHARE CAPITAL

The issued share capital of the company at the date of adoption of these Articles is £4,738,617 comprised of 4,738,617 ordinary shares of £1 00

3 SHARE TRANSFERS

- 3 1 Shares may be transferred by means of an instrument of transfer in any usual form or any other form approved by the directors, which is executed by or on behalf of the transferor
- 3 2 The transferor remains the holder of a share until the transferee's name is entered in the register of members as holder of it
- 3 3 Subject to Article 3 4 the directors may refuse to register the transfer of a share, and if they do so, the instrument of transfer must be returned to the transferee with the notice of refusal unless they suspect that the proposed transfer may be fraudulent
- 3 4 Notwithstanding anything contained in these Articles, the directors shall not decline to register any transfer of shares, nor may they suspend registration thereof where such a transfer is executed by or in favour of any bank or institution to whom such shares have been charged, mortgaged or assigned by way of security or a receiver acting on its behalf, or by or in favour of any nominee of, or purchaser from, such a bank or institution or such a receiver, pursuant to any power of sale or assignment under any deed or agreement or other document pursuant to which such shares have

been charged, and a certificate by any official of such bank or institution that the shares were so charged, mortgaged or assigned and the transfer was so executed shall be deemed to be conclusive evidence of such facts

4. FURTHER ISSUES OF SHARES* PRE-EMPTION RIGHTS

4 1 In accordance with section 567(1) of the Act, sections 561 and 562 of the Act shall not apply to an allotment of equity securities (as defined in section 560(1) of the Act) made by the company

4 2 Subject to Articles 4 3 and 4 4 and unless otherwise determined by special resolution, any equity securities shall, before they are allotted on any terms, be first offered by the company on the same or more favourable terms to the shareholders in proportion as nearly as is practicable (without involving fractions) to the nominal value of the shares in the company held by them

4 3 Any offer required to be made under Article 4 2 shall be made by written notice to each shareholder at his registered address or the email address provided for this purpose. The notice shall specify the number of equity securities offered and the period, being at least 14 days, within which the offer, if not accepted, will be deemed to have been declined. After the expiration of such period, or if earlier on receipt of notice of acceptance or refusal of each offer so made, the directors may, subject to these Articles, allot such equity securities as have not been taken up in such manner as they think fit

4 4 Article 4 2 shall not apply to the allotment of equity securities

- (a) which would, apart from a renunciation or assignment of their right to the allotment, be held under an employees, share scheme, or
- (b) if the company has only one member, to that sole member

DIRECTORS

5 UNANIMOUS DECISIONS

5 1 A decision of the directors is taken in accordance with this Article when all eligible directors indicate to each other by any means that they share a common view on a matter

5 2 Such a decision may take the form of a resolution in writing, where each eligible director has signed one or more copies of it, or to which each eligible director has otherwise indicated agreement in writing

- 5 3 A decision may not be taken in accordance with this Article if the eligible directors would not have formed a quorum at such a meeting

6 CALLING A DIRECTORS' MEETING

- 6 1 Any director may call a directors' meeting by giving not less than five business days' notice of the meeting (or such lesser notice as all the directors may agree) to the directors or by authorising the company secretary (if any) to give such notice

7. QUORUM FOR DIRECTORS' MEETINGS

- 7 1 Subject to Article 7 2, the quorum for the transaction of business at a meeting of directors is any two eligible directors

- 7 2 For the purposes of any meeting (or part of a meeting) held pursuant to Article 11 to authorise a director's conflict, if there is only one eligible director in office other than the conflicted director(s), the quorum for such meeting (or part of a meeting) shall be one eligible director

- 7 3 Whenever the minimum number of directors of the company shall be one pursuant to Article 13, a sole director shall have authority to exercise all the powers and discretions which are expressed by the Model Articles and hereto to be vested in the directors generally and any relevant applicable provisions of the Model Articles shall be modified accordingly

- 7 4 Subject to Article 7 3, if the total number of directors in office for the time being is less than the quorum required, the directors must not take any decision other than a decision

- (a) to appoint further directors, or
- (b) to call a general meeting so as to enable the shareholders to appoint further directors

8 VOTING

- 8 1 Questions arising at a meeting of the directors shall be decided by a majority of votes and the chairman of the meeting shall not have a second or casting vote

9 TRANSACTIONS OR OTHER ARRANGEMENTS WITH THE COMPANY

Subject to sections 177(5) and 177(6) and sections 182(5) and 182(6) of the Act and provided he has declared the nature and extent of his interest in accordance with the requirements of the Companies Acts, a director who is in any way, whether directly

or indirectly, interested in an existing or proposed transaction or arrangement with the company

- (a) may be a party to, or otherwise interested in, any transaction or arrangement with the company or in which the company is otherwise (directly or indirectly) interested,
- (b) shall be an eligible director for the purposes of any proposed decision of the directors (or committee of directors) in respect of such contract or proposed contract in which he is interested,
- (c) shall be entitled to vote at a meeting of directors (or of a committee of the directors) or participate in any unanimous decision, in respect of such contract or proposed contract in which he is interested,
- (d) may act by himself or his firm in a professional capacity for the company (otherwise than as auditor) and he or his firm shall be entitled to remuneration for professional services as if he were not a director,
- (e) may be a director or other officer of, or employed by, or a party to a transaction or arrangement with, or otherwise interested in, any body corporate in which the company is otherwise (directly or indirectly) interested, and
- (f) shall not, save as he may otherwise agree, be accountable to the company for any benefit which he (or a person connected with him (as defined in section 252 of the Act)) derives from any such contract, transaction or arrangement or from any such office or employment or from any interest in any such body corporate and no such contract, transaction or arrangement shall be liable to be avoided on the grounds of any such interest or benefit nor shall the receipt of any such remuneration or other benefit constitute a breach of his duty under section 176 of the Act

10 GENERAL DIRECTORS' CONFLICTS OF INTEREST

10.1 The directors may, in accordance with the requirements set out in this Article, authorise any matter or situation proposed to them by any director which would, if not authorised, involve a director (an **Interested Director**) breaching his duty under section 175 of the Act to avoid conflicts of interest (a **Conflict**)

10.2 Any authorisation under this Article 10 will be effective only if

- (a) to the extent permitted by the Act, the matter in question shall have been proposed by any director for consideration in the same way that any other matter may be proposed to the directors under the provisions of these Articles or in such other manner as the directors may determine,
- (b) any requirement as to the quorum for consideration of the relevant matter is met without counting the Interested Director or any other interested director, and

- (c) the matter was agreed to without the Interested Director voting or would have been agreed to if the Interested Director's and any other interested director's vote had not been counted
- 10.3 Any authorisation of a Conflict under this Article 10 may (whether at the time of giving the authorisation or subsequently)
 - (a) extend to any actual or potential conflict of interest which may reasonably be expected to arise out of the matter or situation so authorised,
 - (b) provide that the Interested Director be excluded from the receipt of documents and information and the participation in discussions (whether at meetings of the directors or otherwise) related to the Conflict,
 - (c) provide that the Interested Director shall or shall not be an eligible director in respect of any future decision of the directors in relation to any resolution related to the Conflict,
 - (d) impose upon the Interested Director such other terms for the purposes of dealing with the Conflict as the directors think fit,
 - (e) provide that, where the Interested Director obtains, or has obtained (through his involvement in the Conflict and otherwise than through his position as a director of the company) information that is confidential to a third party, he will not be obliged to disclose that information to the company, or to use it in relation to the company's affairs where to do so would amount to a breach of that confidence, and
 - (f) permit the Interested Director to absent himself from the discussion of matters relating to the Conflict at any meeting of the directors and be excused from reviewing papers prepared by, or for, the directors to the extent they relate to such matters
- 10.4 Where the directors authorise a Conflict, the Interested Director will be obliged to conduct himself in accordance with any terms and conditions imposed by the directors in relation to the Conflict
- 10.5 The directors may revoke or vary such authorisation at any time, but this will not affect anything done by the Interested Director, prior to such revocation or variation, in accordance with the terms of such authorisation
- 10.6 A director is not required, by reason of being a director (or because of the fiduciary relationship established by reason of being a director), to account to the company for any remuneration, profit or other benefit which he derives from or in connection with a relationship involving a Conflict which has been authorised by the directors or by the company in general meeting (subject in each case to any terms, limits or conditions attaching to that authorisation) and no contract shall be liable to be avoided on such grounds

SPECIFIC INTERESTS OF A DIRECTOR

10 7 Subject to the provisions of the Act and provided that he has declared to the directors in accordance with the provisions of these Articles, the nature and extent of his interest, a director may (to the extent permitted by law from time to time), notwithstanding his office, have an interest of the following kind

- (a) where a director (or a person connected with him) is a director, employee or other officer of, or a party to any contract, arrangement or transaction with, or in any way interested in, any body corporate promoted by the company or in which the company is in any way interested,
- (b) where a director (or a person connected with him) is a shareholder or a shareholder in, employee, director, member or other officer of, or consultant to, a group undertaking (as defined in the Act) of the company,
- (c) where a director (or a person connected with him) holds and is remunerated in respect of any office or place of profit (other than the office of auditor) in respect of the company or any body corporate in which the company is in any way interested,
- (d) where a director (or person connected with him) is an employee, director, trustee, member, partner, officer or representative of, or a direct or indirect investor (including without limitation by virtue of carried interest, remuneration or incentive arrangements or the holding of securities) in any fund or funds which have any direct or indirect interest in the company and any manager of such funds,
- (e) an interest which cannot reasonably be regarded as likely to give rise to a conflict of interest, or
- (f) any other interest authorised by ordinary resolution

11 RECORDS OF DECISIONS TO BE KEPT

Where decisions of the directors are taken by electronic means, such decisions shall be recorded by the directors in permanent form, so that they may be read with the naked eye

12 NUMBER OF DIRECTORS

Unless otherwise determined by ordinary resolution, the number of directors (other than alternate directors) shall be subject to a maximum of 7 but shall not be less than one

13. APPOINTMENT OF DIRECTORS

- 13 1 The company may by ordinary resolution and the Directors may (if approved in writing by Cygnet Health Care Limited (being the sole shareholder of the company)) appoint a person (willing to act) to be a director either to fill a vacancy or as an additional director
- 13 2 Notwithstanding any provision in the Model Articles, a director shall be required to vacate his office if he is removed by notice in writing to the company signed by or on behalf of either Cygnet Health Care Limited (being the sole shareholder of the company) or any of its direct or indirect parent undertakings (as such term is defined in the Act)

14 APPOINTMENT AND REMOVAL OF ALTERNATE DIRECTORS

- 14 1 Any director (an **appointor**) may appoint as an alternate any other director, or any other person approved by resolution of the directors, to
- (a) exercise that director's powers, and
 - (b) carry out that director's responsibilities,

in relation to the taking of decisions by the directors, in the absence of the alternate's appointor

- 14 2 Any appointment or removal of an alternate must be effected by notice in writing to the company signed by the appointor, or in any other manner approved by the directors
- 14 3 The notice must
- (a) identify the proposed alternate, and
 - (b) in the case of a notice of appointment, contain a statement signed by the proposed alternate that the proposed alternate is willing to act as the alternate of the director giving the notice

15. RIGHTS AND RESPONSIBILITIES OF ALTERNATE DIRECTORS

- 15 1 An alternate director may act as alternate director to more than one director and has the same rights in relation to any decision of the directors as the alternate's appointor
- 15 2 Except as the Articles specify otherwise, alternate directors
- (a) are deemed for all purposes to be directors,
 - (b) are liable for their own acts and omissions,

- (c) are subject to the same restrictions as their appointors, and
- (d) are not deemed to be agents of, or for, their appointors,

and, in particular (without limitation), each alternate director shall be entitled to receive notice of all meetings of directors and of all meetings of committees of directors of which his appointor is a member

15.3 A person who is an alternate director but not a director

- (a) may be counted as participating for the purposes of determining whether a quorum is present (but only if that person's appointor is not participating),
- (b) may participate in a unanimous decision of the directors (but only if his appointor is an eligible director in relation to that decision, but does not participate), and
- (c) shall not be counted as more than one director for the purposes of Articles 16.3(a) and (b)

15.4 A director who is also an alternate director is entitled, in the absence of his appointor, to a separate vote on behalf of his appointor, in addition to his own vote on any decision of the directors (provided that his appointor is an eligible director in relation to that decision), but shall not count as more than one director for the purposes of determining whether a quorum is present

15.5 An alternate director may be paid expenses and may be indemnified by the company to the same extent as his appointor but shall not be entitled to receive any remuneration from the company for serving as an alternate director except such part of the alternate's appointor's remuneration as the appointor may direct by notice in writing made to the company

16 TERMINATION OF ALTERNATE DIRECTORSHIP

An alternate director's appointment as an alternate terminates

- (a) when the alternate's appointor revokes the appointment by notice to the company in writing specifying when it is to terminate,
- (b) on the occurrence, in relation to the alternate, of any event which, if it occurred in relation to the alternate's appointor, would result in the termination of the appointor's appointment as a director,
- (c) on the death of the alternate's appointor, or
- (d) when the alternate's appointor's appointment as a director terminates

17. SECRETARY

The directors may appoint any person who is willing to act as the secretary for such term, at such remuneration and upon such conditions as they may think fit and from time to time remove such person and, if the directors so decide, appoint a replacement, in each case by a decision of the directors

DECISION MAKING BY SHAREHOLDERS

18. POLL VOIES

18 1 A poll may be demanded at any general meeting by any qualifying person (as defined in section 318 of the Act) present and entitled to vote at the meeting

18 2 Article 44(3) of the Model Articles shall be amended by the insertion of the words "A demand so withdrawn shall not invalidate the result of a show of hands declared before the demand was made" as a new paragraph at the end of that Article

19. PROXIES

19 1 Article 45(1)(d) of the Model Articles shall be deleted and replaced with the words "is delivered to the company in accordance with the Articles not less than 48 hours before the time appointed for holding the meeting or adjourned meeting at which the right to vote is to be exercised and in accordance with any instructions contained in the notice of the general meeting (or adjourned meeting) to which they relate"

19 2 Article 45(1) of the Model Articles shall be amended by the insertion of the words "and a proxy notice which is not delivered in such manner shall be invalid, unless the directors, in their discretion, accept the notice at any time before the meeting" as a new paragraph at the end of that Article

ADMINISTRATIVE ARRANGEMENTS

20. MEANS OF COMMUNICATION TO BE USED

20 1 Any notice, document or other information shall be deemed served on or delivered to the intended recipient

- (a) if properly addressed and sent by prepaid United Kingdom first class post to an address in the United Kingdom, 48 hours after it was posted (or five business days after posting either to an address outside the United Kingdom or from outside the United Kingdom to an address within the United Kingdom, if (in each case) sent by reputable international overnight courier addressed to the intended recipient, provided that delivery in at least five

business days was guaranteed at the time of sending and the sending party receives a confirmation of delivery from the courier service provider),

- (b) if properly addressed and delivered by hand, when it was given or left at the appropriate address,
- (c) if properly addressed and sent or supplied by electronic means, one hour after the document or information was sent or supplied, and
- (d) if sent or supplied by means of a website, when the material is first made available on the website or (if later) when the recipient receives (or is deemed to have received) notice of the fact that the material is available on the website

For the purposes of this Article, no account shall be taken of any part of a day that is not a working day

- 20 2 In proving that any notice, document or other information was properly addressed, it shall suffice to show that the notice, document or other information was addressed to an address permitted for the purpose by the Act

21 INDEMNITY

- 21 1 Subject to Article 22 2, but without prejudice to any indemnity to which a relevant officer is otherwise entitled

- (a) each relevant officer shall be indemnified out of the company's assets against all costs, charges, losses, expenses and liabilities incurred by him as a relevant officer in the actual or purported execution and/or discharge of his duties, or in relation to them, including (in each case) any liability incurred by him in defending any civil or criminal proceedings, in which judgment is given in his favour or in which he is acquitted or the proceedings are otherwise disposed of without any finding or admission of any material breach of duty on his part or in connection with any application in which the court grants him, in his capacity as a relevant officer, relief from liability for negligence, default, breach of duty or breach of trust in relation to the company's (or any associated company's) affairs, and
- (b) the company may provide any relevant officer with funds to meet expenditure incurred or to be incurred by him in connection with any proceedings or application referred to in Article 22 1(a) and otherwise may take any action to enable any such relevant officer to avoid incurring such expenditure

- 21 2 This Article does not authorise any indemnity which would be prohibited or rendered void by any provision of the Companies Acts or by any other provision of law

21 3 In this Article

- (a) companies are associated if one is a subsidiary of the other or both are subsidiaries of the same body corporate, and
- (b) a “relevant officer” means any director or other officer of the company or an associated company (including any company which is a trustee of an occupational pension scheme (as defined by section 235(6) of the Act)

22. INSURANCE

22 1 The directors may decide to purchase and maintain insurance, at the expense of the company, for the benefit of any relevant officer in respect of any relevant loss

22 2 In this Article

- (a) a “relevant officer” means any director or other officer of the company or an associated company (including any company which is a trustee of an occupational pension scheme (as defined by section 235(6) of the Act),
- (b) a “relevant loss” means any loss or liability which has been or may be incurred by a relevant officer in connection with that relevant officer's duties or powers in relation to the company, any associated company or any pension fund or employees' share scheme of the company or associated company, and
- (c) companies are associated if one is a subsidiary of the other or both are subsidiaries of the same body corporate