

Company No. 07603016

COMPANIES HOUSE COPY

THE COMPANIES ACT 2006

WRITTEN RESOLUTION

of

GRACEWELL HEALTHCARE 1 LIMITED

(the "Company")

Made pursuant to Chapter 2 of Part 13 of the Companies Act 2006

Dated 2nd July 2015

By a written resolution of the sole member of the Company made on the above date pursuant to Chapter 2 of Part 13 of the Companies Act 2006, the following resolution was passed as if the same had been duly agreed and passed by the Company in general meeting

Special Resolution

THAT, the articles of association annexed to this resolution be and are hereby adopted as the articles of association of the Company in substitution for, and to the exclusion of, the Company's existing articles of association.

Signed 

Director/Secretary



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04/07/2015
COMPANIES HOUSE

#174

THE COMPANIES ACT 2006
PRIVATE COMPANY LIMITED BY SHARES

ARTICLES OF ASSOCIATION

of

GRACEWELL HEALTHCARE 1 LIMITED

Adopted by Special Resolution passed on 2 July 2015

INTERPRETATION AND APPLICATION OF MODEL ARTICLES

1 Interpretation

1.1 In these Articles, unless the context otherwise requires

"**Act**" means the Companies Act 2006,

"**Applicable Law**" means, in relation to a person, all applicable laws (whether statutory or deriving from the common law or equity), binding regulations, the rules and regulations of any applicable stock exchange or the judgement of any court of competent jurisdiction to, on or in relation to that person or its business or any of its assets

"**appointor**" has the meaning given in Article 12 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,

"**call**" has the meaning given to it in Article 20 1,

"**call notice**" has the meaning given to it in Article 20 1,

"**Company**" means Gracewell Healthcare 1 Limited,

"**company lien**" has the meaning given in Article 18 1,

"**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),

"**GLCH Directors**" has the meaning given to it in Article 5 1, and "**GLCH Director**" means any one of them

"**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; and

"**Revera Directors**" has the meaning given to it in Article 5 2, and "**Revera Director**" means any one of them

- 1 2 Save as otherwise specifically provided in these Articles, words and expressions which have particular meaning 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. A reference in these Articles to a "**Model Article**" is a reference to the relevant article of the Model Articles
- 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
- 1 8 Model Articles 7(1), 8, 11(2) and (3), 13, 14(1), (2), (3) and (4), 17(2), 21, 26(5), 44(2), 52 and 53 shall not apply to the Company

DIRECTORS

2 Decisions of Directors

- 2 1 Subject to the provisions of Article 2 2, the general rule about decision-making by directors is that decisions of the directors must be taken
- (a) by a majority decision at a directors' meeting (including at least one GLCH Director and at least one Revera Director), or

- (b) in the form of a directors' written resolution
- 2 2 Notwithstanding the provisions of Article 2 1
 - (a) in respect of any of the matters set out in Part II Schedule 1, the directors must reach a unanimous decision and/or where a shareholders' decision is required by Applicable Law, a unanimous decision of the shareholders, unless any of the circumstances set out in Part III of Schedule 1 apply, and
 - (b) in respect of any of the matters set out in Schedule 2, a decision must be made by a majority decision at a directors' meeting (including at least one GLCH Director and at least one Revera Director), except where a shareholders' decision is required by Applicable Law, in which case a unanimous decision of the shareholders is required
- 3 **Directors' Written Resolutions**
 - 3 1 Any director may propose a directors' written resolution
 - 3 2 The company secretary (if any) must propose a directors' written resolution if a director so requests
 - 3 3 A directors' written resolution is proposed by giving notice of the proposed resolution to the eligible directors
 - 3 4 Notice of a proposed directors' written resolution must indicate
 - (a) the proposed resolution, and
 - (b) the time by which it is proposed that the directors should adopt it
 - 3 5 Notice of a proposed directors' written resolution must be given in writing to each eligible director
 - 3 6 Any decision which a person giving notice of a proposed directors' written resolution takes regarding the process of adopting that resolution must be taken reasonably in good faith
 - 3 7 A proposed directors' written resolution is adopted when all the eligible directors have signed one or more copies of it, provided that those eligible directors would have formed a quorum at a meeting held to pass such resolution
 - 3 8 It is immaterial whether any director signs the resolution before or after the time by which the notice proposed that it should be adopted
 - 3 9 Once a directors' written resolution has been adopted, it must be treated as if it had been a decision taken at a directors' meeting in accordance with the Articles
- 4 **Calling a Meeting of the Directors**
 - 4 1 In Model Article 9(3) the words ", but need not be in writing" shall be deleted and replaced with the words "in writing"

5 GLCH and Revera Directors

5.1 Grace Lodge Care Holdings Sàrl (and its successors and assigns) shall, in accordance with Article 11.2, be entitled, as an indirect shareholder of the Company, to appoint three directors of the Company (the "**GLCH Directors**"), pursuant to the terms of a shareholders agreement between, amongst others, Grace Lodge Care Holdings Sàrl and Revera UK Holdings Ltd

5.2 Revera UK Holdings Ltd (and its successors and assigns) shall, in accordance with Article 11.3, be entitled, as an indirect shareholder of the Company, to appoint two directors of the Company (the "**Revera Directors**"), pursuant to the terms of a shareholders agreement between, amongst others, Grace Lodge Care Holdings Sàrl and Revera UK Holdings Ltd

6 Chairman at a Directors' Meeting

If the number of votes for and against a proposal at a meeting of directors are equal, the chairman or other director chairing the meeting shall not have a casting vote

7 Quorum at a Directors' Meeting

7.1 Subject to Article 7.3, the quorum for the transaction of business at a meeting of directors is a majority of the directors of the Company, one of whom must be a GLCH Director and one whom must be a Revera Director

7.2 If no such quorum is present within an hour following the time at which a meeting of the directors is to take place, that meeting shall stand adjourned to the same day in the immediately following week (or, if that day is not a business day, the next following business day)

7.3 For the purposes of any meeting (or part of a meeting) held pursuant to Article 8 to authorise a director's conflict, if there is only one eligible director in office other than the conflicted directors, the quorum for such meeting (or part of a meeting) shall be one eligible director

8 Transactions or Other Arrangements with the Company

Subject to sections 177(5) and (6) and sections 182(5) and (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 transaction or arrangement or proposed transaction or arrangement 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 written resolution procedure, in respect of such transaction or arrangement or proposed transaction or arrangement 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 transaction or arrangement or from any such office or employment or from any interest in any such body corporate and no such 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

9 **Acceptance of Benefits from Third Parties**

Each director may accept any benefits from a third party which are conferred by reason of his being a director or his doing (or not doing) anything as a director, provided that such benefits conferred by such third party on such director (whether in cash or otherwise) are less than any limit in value set by the group policy of any shareholder for the time being holding a majority of the ordinary shares of the Company. For the purposes of section 176(4) of the Act, any aggregated benefits conferred by a third party for the relevant financial year below this value shall not be regarded as likely to give rise to a conflict of interest

10 **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 breaching his duty under section 175 of the Act to avoid conflicts of interest (a "**Conflict**")

10.2 Any authorisation under this Article will be effective only if

- (a) the matter in question shall have been proposed by any director for consideration at a meeting of directors 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 at the meeting of the directors at which the matter is considered is met without counting the director in question, and
- (c) the matter was agreed to without his voting or would have been agreed to if his vote had not been counted

10 3 Any authorisation of a Conflict under this Article 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 so authorised,
- (b) be subject to such terms and for such duration, or impose such limits or conditions as the directors may determine, and
- (c) be terminated or varied by the directors at any time

This will not affect anything done by the director in accordance with the terms of the authorisation prior to such termination or variation

10 4 In authorising a Conflict the directors may decide (whether at the time of giving the authorisation or subsequently) that if a director has obtained any information through his involvement in the Conflict otherwise than as a director of the Company and in respect of which he owes a duty of confidentiality to another person, the director is under no obligation to

- (a) disclose such information to the directors or to any director or other officer or employee of the Company, or
- (b) use or apply any such information in performing his duties as a director

10 5 Where the directors authorise a Conflict they may (whether at the time of giving the authorisation or subsequently) provide, without limitation, that the director

- (a) is excluded from discussions (whether at meetings of directors or otherwise) related to the conflict,
- (b) is not given any documents or other information relating to the Conflict, and
- (c) may or may not vote (or may or may not be counted in the quorum) at any future meeting of directors in relation to any resolution relating to the Conflict

10 6 Where the directors authorise a Conflict

- (a) the director will be obliged to conduct himself in accordance with any terms imposed by the directors in relation to the Conflict and
- (b) the director will not infringe any duty he owes to the Company by virtue of sections 171 to 177 (inclusive) of the Act provided he acts in accordance with such terms, limits and conditions (if any) as the directors impose in respect of its authorisation

10 7 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

11 Appointment and Removal of Directors

- 11.1 In any case where, as a result of death or bankruptcy, the Company has no shareholders and no directors, the transmittee(s) of the last shareholder to have died or to have a bankruptcy order made against him (as the case may be) have the right, by notice in writing, to appoint a natural person (including a transmittee who is a natural person), who is willing to act and is permitted to do so, to be a director
- 11.2 Grace Lodge Care Holdings S à r l may by notice to the Company remove from office any or all of the GLCH Directors and may in like manner appoint any person or persons as a director or directors of the Company to replace such GLCH Director. Any such notice shall be in writing and signed by or on behalf of Grace Lodge Care Holdings S à r l and shall take effect on and from the time at which it is received at the office or handed to the chairman of any meeting of the directors
- 11.3 Revera UK Holdings Ltd may by notice to the Company remove from office any or all of the Revera Directors and may in like manner appoint any person or persons as a director or directors of the Company to replace such Revera Director. Any such notice shall be in writing and signed by or on behalf of Revera UK Holdings Ltd and shall take effect on and from the time at which it is received at the office or handed to the chairman of any meeting of the directors

12 Appointment and Removal of Alternate Directors

- 12.1 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.
- 12.2 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
- 12.3 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

13 Rights and Responsibilities of Alternate Directors

- 13.1 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

13 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

13 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 13 3(a) and (b)

13 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)

13 5 An alternate director is not 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

14 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

15 Directors' Expenses

Model Article 20 shall be amended by the insertion of the words "(including alternate directors) and (if any) the secretary" before the words "properly incur"

16 Secretary

The directors may (but need not) 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

SHARES AND SHARE CAPITAL

17 Shares

17.1 Subject to obtaining any prior authorisations required by law or by any other provision of these Articles, the share capital of the Company shall comprise ordinary shares. The ordinary shares shall entitle their holders to the respective rights and privileges and subject them to the respective restrictions and provisions contained in these Articles and have attached to them full voting, dividend and capital distribution rights (including on a winding up). The shares do not confer any rights on redemption.

17.2 The power granted to the directors by section 550 of the Act shall not apply to the Company.

18 Company's lien over shares

18.1 The company has a lien (the "**company's lien**") over

(a) every share which is partly paid for any part of

(i) that share's nominal value, and

(ii) any premium at which it was issued,

which has not been paid to the company, and which is payable immediately or at some time in the future, whether or not a call notice has been sent in respect of it, and

(b) all shares (whether partly or fully paid) registered in the name of any person indebted or under any liability to the Company, whether he is the sole holder of such shares or one of several joint holders (in which case such lien shall extend to all moneys presently payable by him or his estate to the Company).

18.2 The company's lien over a share

(a) takes priority over any third party's interest in that share, and

(b) extends to any dividend or other money payable by the company in respect of that share and (if the lien is enforced and the share is sold by the company) the proceeds of sale of that share.

18 3 The directors may at any time decide that a share which is or would otherwise be subject to the company's lien shall not be subject to it, either wholly or in part

19 **Enforcement of the company's lien**

19 1 Subject to the provisions of this Article, if

- (a) a lien enforcement notice has been given in respect of a share, and
 - (b) the person to whom the notice was given has failed to comply with it,
- the company may sell that share in such manner as the directors decide

19 2 A lien enforcement notice

- (a) may only be given in respect of a share which is subject to the company's lien, in respect of which a sum is payable and the due date for payment of that sum has passed,
- (b) must specify the share concerned,
- (c) must require payment of the sum payable within 14 days of the notice,
- (d) must be addressed either to the holder of the share or to a person entitled to it by reason of the holder's death, bankruptcy or otherwise, and
- (e) must state the company's intention to sell the share if the notice is not complied with

19 3 Where shares are sold under this Article

- (a) the directors may authorise any person to execute an instrument of transfer of the shares to the purchaser or a person nominated by the purchaser, and
- (b) the transferee is not bound to see to the application of the consideration, and the transferee's title is not affected by any irregularity in or invalidity of the process leading to the sale

19 4 The net proceeds of any such sale (after payment of the costs of sale and any other costs of enforcing the lien) must be applied

- (a) first, in payment of so much of the sum for which the lien exists as was payable at the date of the lien enforcement notice,
- (b) second, to the person entitled to the shares at the date of the sale, but only after the certificate for the shares sold has been surrendered to the company for cancellation or a suitable indemnity has been given for any lost certificates, and subject to a lien equivalent to the company's lien over the shares before the sale for any money payable in respect of the shares after the date of the lien enforcement notice

19 5 A statutory declaration by a director or the company secretary that the declarant is a

director or the company secretary and that a share has been sold to satisfy the company's lien on a specified date

- (a) is conclusive evidence of the facts stated in it as against all persons claiming to be entitled to the share, and
- (b) subject to compliance with any other formalities of transfer required by the Articles or by law, constitutes a good title to the share

20 Call notices

20 1 Subject to the Articles and the terms on which shares are allotted, the directors may send a notice (a "**call notice**") to a member requiring the member to pay the company a specified sum of money (a "**call**") which is payable in respect of shares which that member holds at the date when the directors decide to send the call notice

20 2 A call notice

- (a) may not require a member to pay a call which exceeds the total sum unpaid on that member's shares (whether as to the share's nominal value or any amount payable to the company by way of premium),
- (b) must state when and how any call to which it relates it is to be paid, and
- (c) may permit or require the call to be paid by instalments

20 3 A member must comply with the requirements of a call notice, but no member is obliged to pay any call before 14 days have passed since the notice was sent

20 4 Before the company has received any call due under a call notice the directors may

- (a) revoke it wholly or in part, or
- (b) specify a later time for payment than is specified in the notice, by a further notice in writing to the member in respect of whose shares the call is made

21 Liability to pay calls

21 1 Liability to pay a call is not extinguished or transferred by transferring the shares in respect of which it is required to be paid

21 2 Joint holders of a share are jointly and severally liable to pay all calls in respect of that share

21 3 Subject to the terms on which shares are allotted, the directors may, when issuing shares, provide that call notices sent to the holders of those shares may require them

- (a) to pay calls which are not the same, or
- (b) to pay calls at different times

22 When call notice need not be issued

- 22 1 A call notice need not be issued in respect of sums which are specified, in the terms on which a share is issued, as being payable to the company in respect of that share (whether in respect of nominal value or premium)
- (a) on allotment,
 - (b) on the occurrence of a particular event, or
 - (c) on a date fixed by or in accordance with the terms of issue
- 22 2 But if the due date for payment of such a sum has passed and it has not been paid, the holder of the share concerned is treated in all respects as having failed to comply with a call notice in respect of that sum, and is liable to the same consequences as regards the payment of interest and forfeiture
- 23 **Failure to comply with call notice: automatic consequences**
- 23 1 If a person is liable to pay a call and fails to do so by the call payment date
- (a) the directors may issue a notice of intended forfeiture to that person, and
 - (b) until the call is paid, that person must pay the company interest on the call from the call payment date at the relevant rate
- 23 2 For the purposes of this Article
- (a) the "call payment date" is the time when the call notice states that a call is payable, unless the directors give a notice specifying a later date, in which case the "call payment date" is that later date,
 - (b) the "relevant rate" is
 - (i) the rate fixed by the terms on which the share in respect of which the call is due was allotted,
 - (ii) such other rate as was fixed in the call notice which required payment of the call, or has otherwise been determined by the directors, or
 - (iii) if no rate is fixed in either of these ways, 5 per cent per annum
- 23 3 The relevant rate must not exceed by more than 5 percentage points the base lending rate most recently set by the Monetary Policy Committee of the Bank of England in connection with its responsibilities under Part 2 of the Bank of England Act 1998
- 23 4 The directors may waive any obligation to pay interest on a call wholly or in part
- 24 **Notice of intended forfeiture**
- 24 1 A notice of intended forfeiture
- (a) may be sent in respect of any share in respect of which a call has not been paid as required by a call notice,

- (b) must be sent to the holder of that share or to a person entitled to it by reason of the holder's death, bankruptcy or otherwise,
- (c) must require payment of the call and any accrued interest by a date which is not less than 14 days after the date of the notice,
- (d) must state how the payment is to be made, and
- (e) must state that if the notice is not complied with, the shares in respect of which the call is payable will be liable to be forfeited

25 Directors' power to forfeit shares

If a notice of intended forfeiture is not complied with before the date by which payment of the call is required in the notice of intended forfeiture, the directors may decide that any share in respect of which it was given is forfeited, and the forfeiture is to include all dividends or other moneys payable in respect of the forfeited shares and not paid before the forfeiture

26 Effect of forfeiture

26 1 Subject to the Articles, the forfeiture of a share extinguishes

- (a) all interests in that share, and all claims and demands against the company in respect of it, and
- (b) all other rights and liabilities incidental to the share as between the person whose share it was prior to the forfeiture and the company

26 2 Any share which is forfeited in accordance with the Articles

- (a) is deemed to have been forfeited when the directors decide that it is forfeited,
- (b) is deemed to be the property of the company, and
- (c) may be sold, re-allotted or otherwise disposed of as the directors think fit

26 3 If a person's shares have been forfeited

- (a) the company must send that person notice that forfeiture has occurred and record it in the register of members,
- (b) that person ceases to be a member in respect of those shares,
- (c) that person must surrender the certificate for the shares forfeited to the company for cancellation,
- (d) that person remains liable to the company for all sums payable by that person under the Articles at the date of forfeiture in respect of those shares, including any interest (whether accrued before or after the date of forfeiture), and

- (e) the directors may waive payment of such sums wholly or in part or enforce payment without any allowance for the value of the shares at the time of forfeiture or for any consideration received on their disposal
- 26 4 At any time before the company disposes of a forfeited share, the directors may decide to cancel the forfeiture on payment of all calls and interest due in respect of it and on such other terms as they think fit
- 27 **Procedure following forfeiture**
 - 27.1 If a forfeited share is to be disposed of by being transferred, the company may receive the consideration for the transfer and the directors may authorise any person to execute the instrument of transfer
 - 27 2 A statutory declaration by a director or the company secretary that the declarant is a director or the company secretary and that a share has been forfeited on a specified date
 - (a) is conclusive evidence of the facts stated in it as against all persons claiming to be entitled to the share, and
 - (b) subject to compliance with any other formalities of transfer required by the Articles or by law, constitutes a good title to the share
 - 27 3 A person to whom a forfeited share is transferred is not bound to see to the application of the consideration (if any) nor is that person's title to the share affected by any irregularity in or invalidity of the process leading to the forfeiture or transfer of the share
 - 27 4 If the company sells a forfeited share, the person who held it prior to its forfeiture is entitled to receive from the company the proceeds of such sale, net of any commission, and excluding any amount which
 - (a) was, or would have become, payable, and
 - (b) had not, when that share was forfeited, been paid by that person in respect of that share, but no interest is payable to such a person in respect of such proceeds and the company is not required to account for any money earned on them
- 28 **Surrender of shares**
 - 28 1 A member may surrender any share
 - (a) in respect of which the directors may issue a notice of intended forfeiture,
 - (b) which the directors may forfeit, or
 - (c) which has been forfeited
 - 28 2 The directors may accept the surrender of any such share

- 28 3 The effect of surrender on a share is the same as the effect of forfeiture on that share
- 28 4 A share which has been surrendered may be dealt with in the same way as a share which has been forfeited

29 Replacement Share Certificates

In Model Article 25(2)(c), the words "evidence, indemnity and the payment of a reasonable fee" shall be deleted and replaced with the words "evidence, indemnity and the payment of the Company's reasonable expenses"

30 Transfer of Shares

Subject to section 771 of the Act, the directors may, in their absolute discretion, and shall if the proposed transfer is subject to transfer restrictions agreed by the shareholders of the Company or the shareholders of any parent undertaking of the Company and which have not been (unless otherwise permitted by such arrangements) complied with by the transferor, refuse to register the transfer of a share to any person, whether or not it is a fully paid share or a share on which the Company has a lien, 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

31 Transmission of Shares

- 31 1 Model Article 27(3) shall be amended by the insertion of the words ", subject to Article 11," after the word "But"
- 31 2 Model Article 29 shall be amended by the insertion of the words ", or the name of any person nominated under Model Article 27(2)," after the words "the transmittee's name"

32 Dividends

- 32 1 Model Articles 31(a) to (d) (inclusive) shall be amended by the deletion, in each case, of the words "either" and "or as the directors may otherwise decide"
- 32 2 The Company shall not be responsible for any sums lost or delayed in the course of any payment of dividends
- (a) through any bank or transfer system, or
- (b) where the payment is made by such other means as the shareholder may direct, where the Company has acted on any such directions,

and Model Article 31(1) is supplemented accordingly

DECISION MAKING BY SHAREHOLDERS

33 Poll Votes

- 33 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

- 33 2 Model Article 44(3) 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

34 Proxies

- 34 1 Model Article 45(1)(d) 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"
- 34 2 Model Article 45(1) 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

35 Means of Communication to be used

- 35 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 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 within 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 business day

- 35 2 In proving that any notice, document or other information was properly addressed, it shall be sufficient to show that the notice, document or other information was delivered to an address permitted for the purpose by the Act

36 Indemnity

36 1 Subject to Article 36 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

(i) in the actual or purported execution and/or discharge of his duties, or in relation to them; and

(ii) in relation to the Company's (or any associated company's) activities as trustee of an occupational pension scheme (as defined in section 235(6) of the Act),

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 36 1(a) and otherwise may take any action to enable any such relevant officer to avoid incurring such expenditure

36 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

36 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 or former 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, but excluding in each case any person engaged by the Company (or associated company) as auditor (whether or not he is also a director or other officer), to the extent he acts in his capacity as auditor)

37 Insurance

37 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

37 2 In this Article

- (a) a "relevant officer" means any director or other officer or former 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), but excluding in each case any person engaged by the Company (or associated company) as auditor (whether or not he is also a director or other officer), to the extent he acts in his capacity as auditor),
- (b) a "relevant loss" means any loss or liability which has 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

SCHEDULE 1

Part I

For the purposes of this Schedule 1

"Devco Development Loans" means the Future Devco Development Loans and the Existing Devco Development Loans

"Devco Development Loan Agreements" means the Future Devco Development Loan Agreements and the Existing Devco Development Loan Agreements

"Development Opportunity" means all ongoing and future opportunities to acquire, own, develop or operate senior living/care home properties and facilities in the United Kingdom directly or indirectly with Patron, Noosa Framework S à r l or Daniel Kay and Tim Street pursuant to the DPFA Existing Pipeline Agreement or

"Dispositions" means the sale, transfer, assignment, issuance, disposition, grant of any rights in or over or encumbering of, or agreement to sell, transfer, assign, issue, dispose of or encumber, any Interests

"DPFA Existing Pipeline Agreement" means the Development Partnership Framework Agreement Re The Pipeline Sites, as amended by a deed of variation dated 3 February 2015, with respect to the development and purchase of the eleven (11) specified care homes listed therein

"DPFA Future Pipeline Agreement" means the Development Partnership Framework Agreement Re New Sites as amended by a deed of variation dated 3 February 2015, under which HCN UK and Noosa Framework S à r l have agreed to work together to identify sites and develop care homes on such sites in the United Kingdom

"Existing Devco Development Loan Agreements" means the loan agreements by which the acquisition and development of the Existing Pipeline Sites will be financed

"Existing Devco Development Loans" means the loans by which the acquisition and development of the Existing Pipeline Sites will be financed

"Existing Pipeline Sites" means the eleven (11) specified care homes listed in the DPFA Existing Pipeline Agreement

"Existing Portfolio IB Loan Agreements" means the Revera Existing Portfolio IB Loan Agreement and the Finco Existing Portfolio IB Loan Agreements

"Existing Portfolio Sites" means the thirteen (13) care homes in the United Kingdom owned by Propco

"Finco Existing Noosa Development IB Loan Agreements" means the loan agreements relating to the Existing Pipeline Sites and made between SIPL Finco (as lender) and Propco (as borrower)

"Finco Existing Portfolio IB Loan Agreement" means the £250,000,000 interest-bearing facility agreement dated 31 March 2015 and made between SIPL Finco (as lender) and Propco (as borrower)

"Finco Noosa Development IB Loan Agreements" means

- (a) the Finco Existing Noosa Development IB Loan Agreements, and
- (b) each loan agreement entered into between SIPL Finco (as lender) and Propco (as borrower) for the purpose of funding SIPL Finco's proportion of any Propco Future Development Loan Agreement,

to the extent such agreement does not relate to a Rejected Site or a Relevant Site (as such term is defined in the Shareholders' Agreement)

"Future Devco Development Loans" means the loans to finance the development of the Future Pipeline Sites

"Future Devco Development Loan Agreements" means the loan agreements to finance the development of the Future Pipeline Sites

"Future Pipeline Sites" means sites identified by HCN UK and Noosa Development Limited and on which both have agreed to work together to develop care homes, pursuant to the terms of the DPFA Future Pipeline Agreement

"Opco" means Grace Lodge Care Operating S à r l

"Gracewell Group" means Opco, Propco and each of their subsidiaries

"HCN" means Health Care REIT, Inc

"HCN Interest Free Loan Agreement" means the interest-free loan agreement dated on or about the date of this Agreement and made between HCN (as lender) and Propco (as borrower)

"HCN UK" means HCN UK Investments Limited

"Insolvency" means the occurrence of one or more of the following events

- (a) if the Company shall
 - (i) be wound-up, struck-off, dissolved or liquidated, or become subject to the provisions of any federal or national law or state law or statute governing the wind-up, dissolution or liquidation of any type of corporate entity or partnership or any successor legislation thereto or have its existence terminated or have any resolution passed therefor,
 - (ii) be the subject of insolvency proceedings (*faillite*), the suspension of payments (*sursis de paiement*), a judicial liquidation (*liquidation judiciaire*), a controlled management (*gestion contrôlée*) or homologating voluntary arrangements that the relevant party would have entered into with its creditors (*concordat préventif de faillite*),

- (iii) make a general assignment for the benefit of its creditors or a proposal or file a notice of intention to make a proposal under applicable law or file a voluntary petition or have an involuntary petition filed against it under applicable law or be adjudged by a court of competent jurisdiction to be bankrupt or insolvent or acknowledge its insolvency in writing, or
 - (iv) apply for protection or propose a compromise or arrangement under applicable law federal or national law or state law or statute or any successor legislation thereto or shall file any petition, application or answer seeking any re-organization, arrangement, composition, re-adjustment, liquidation, dissolution or similar relief for itself under any present or future law relating to bankruptcy, insolvency, or other relief for debtors or for the benefit of creditors, or
- (b) if a court of competent jurisdiction enters an order, judgment or decree approving a petition or application filed against the Company seeking any reorganization, arrangement, composition, re-adjustment, administration, liquidation, dissolution, winding-up, termination of existence, declaration of bankruptcy or insolvency or similar relief under any present or future law relating to bankruptcy, insolvency or other relief for or against debtors generally and (i) the Company shall acquiesce in the entering of such order, judgment or decree, or (ii) if there is no such acquiescence, the order, judgment or decree remains unvacated or unstayed for an aggregate of forty-five (45) calendar days (whether or not consecutive) from the date of entry thereof, or
- (c) if any trustee in bankruptcy, administrator, receiver, receiver and manager, liquidator or any other officer with similar powers is appointed for the Company and (i) the Company shall consent to or acquiescence in such appointment, or (ii) if there is no such acquiescence or consent, such appointment remains unvacated or unstayed for an aggregate of forty-five (45) calendar days (whether or not consecutive) from the date of appointment

"Interest Free Loan Agreements" means the HCN Interest Free Loan Agreement and the Revera Interest Free Loan Agreement

"Interests" means the Shares and/or Loans and/or any interest therein or derived from them

"Lease Agreements" means the agreements between Opco and Propco pursuant to which the Existing Portfolio Sites are operated by Opco

"Loan Agreements" means (i) the Propco Development Loan Agreements, (ii) the Noosa Development IB Loan Agreements, (iii) the Existing Portfolio IB Loan Agreements, (iv) the Interest Free Loan Agreements, and (v) any other document designated, from time to time, by HCN UK and Revera UK jointly as a "Loan Agreement"

"Loans" means (i) the Devco Development Loans, (ii) the Propco Development Loans, (iii) the Existing Portfolio IB Loans, (iv) the Interest Free Loans, and (v) the Noosa Development IB Loans

"Management Agreements" means the agreements pursuant to which the Existing Portfolio Sites are managed on behalf of Opco by Gracewell Healthcare Limited

"Noosa Development IB Loan Agreements" means the Finco Noosa Development IB Loan Agreements and the Revera Noosa Development IB Loan Agreements

"Patron" means Patron Healthcare LP

"Pipeline Sites Purchase Agreements" means the share purchase agreements for the acquisition of the Existing Pipeline Sites

"Person" means and includes individuals, corporations, limited partnerships, general partnerships, joint stock companies or associations, joint ventures, associations, consortiums, companies, trusts, banks, trust companies, governments, regulatory authorities, governmental departments, agencies, commissions, boards, tribunals or courts, or other entities

"Propco" means Gracewell Properties Holding S à r l

"Propco Development Loans" means the Propco Future Development Loans and the Propco Existing Development Loans

"Propco Development Loan Agreements" means the Propco Existing Development Loan Agreements and the Propco Future Development Loan Agreements

"Propco Existing Development Loan Agreements" means the loan agreements relating to the Existing Pipeline Sites made between Propco (as lender) and SIPL Finco (as borrower)

"Propco Existing Development Loans" means the loans relating to the Existing Pipeline Sites made between Propco (as lender) and SIPL Finco (as borrower)

"Propco Future Development Loan Agreements" means the further loan agreements between Propco and SIPL Finco

"Propco Future Development Loans" means the further loans between Propco and SIPL Finco to finance the Future Devco Development Loans

"Properties" means the Existing Portfolio Sites, Existing Pipeline Sites and the Future Pipeline Sites or any other properties or sites acquired or to be acquired by any member of the Gracewell Group

"Rejected Site" means any Future Pipeline Site in which Revera UK declines to participate and co-invest or fails to notify HCN UK of its decision to co-invest and participate within the appropriate time periods for such notification (as agreed between Revera UK and HCN UK), or any Future Pipeline Site in which Revera UK's interest therein has been bought out by HCN or HCN UK

"Revera" means Revera, Inc

"Revera Existing Noosa Development IB Loan Agreements" means the loan agreements between Revera UK and Propco for the purposes of funding Revera UK's proportion of the Propco Future Development Loan Agreements

"Revera Existing Portfolio IB Loan Agreements" means the eleven loan agreements relating to the Existing Pipeline Sites made between Revera UK (as lender) and Propco (as borrower)

"Revera Interest Free Loan Agreement" means the interest-free loan agreement dated on or about the date of this Agreement and made between Revera UK (as lender) and Propco (as borrower)

"Revera Noosa Development IB Loan Agreements" means

- (a) the Revera Existing Noosa Development IB Loan Agreements, and
- (b) each loan agreement entered into between Revera UK (as lender) and Propco (as borrower) for the purpose of funding Revera UK's proportion of any Propco Future Development Loan Agreement,

to the extent such agreement does not relate to a Rejected Site or a site with respect to which either HCN UK or Revera UK has been bought out by the other (on terms mutually agreed between them)

"Revera UK" means Revera UK Holdings Ltd

"Shareholders' Agreement" means the agreement entered into between HCN, SIPL Finco, HCN UK, HCN UK Holdco Limited, HCN UK Investments Limited, Revera, Revera UK, Grace Lodge Care Holdings S à r l, Opco and Propco on 1 July 2015 and which governs the manner in which the conduct and affairs of the Company are to be conducted

"Shares" means, in respect of the Company

- (a) common shares and any and all other shares or member interests, as the case may be, in the capital thereof,
- (b) any other securities into which such shares or interests may be converted, exchanged, reclassified, redesignated, subdivided, consolidated or otherwise changed from time to time,
- (c) any securities of any successor corporation to or corporation continuing from the predecessor into which those shares, interests or other securities may be changed or which they may become as a result of any amalgamation, continuance, merger, consolidation, plan of arrangement or reorganization, statutory or otherwise, and
- (d) any securities received as a stock dividend or other distribution on or in respect of those shares, interests, or other securities

"SIPL Finco" means SIPL Finco S à r l

"SPAs" means all share purchase agreements entered into by HCN UK in respect of a Future Pipeline Site and the Pipeline Sites Purchase Agreements

Unless the context otherwise requires, words in the singular include the plural and vice versa

Part II

Any decision in relation to any of the following matters

- 1 The sale of all or substantially all of the assets of the Company
- 2 The acquisition or development of any asset (with a value or cost in excess of £165,000 in the aggregate and to the extent acquired outside of the ordinary course of business), facility, site or property (including the Properties but excluding the Existing Pipeline Sites but subject to paragraph (3) below)
- 3 Any deviation of more than the greater of £66,000 and five (5) per cent of any line item or in the aggregate of any operating or development budgets, annual operating or capital expenditure budgets of the Company or otherwise with respect to the Properties (including the Existing Pipeline Sites but excluding any Rejected Site)
- 4 Entry into any agreements for the operation and management of any of the Properties or facilities (other than those with Gracewell Healthcare Limited or Sunrise UK Holdco Limited which are in the form of the Management Agreements)
- 5 Incurring financial indebtedness from any Person, other than
 - (a) financial indebtedness incurred by the Company from another member of the Gracewell Group, and
 - (b) under any Loan Agreement
- 6 Providing a guarantee for the obligations of any Person, other than a guarantee in respect of the obligations of another member of the Gracewell Group
- 7 Entry into contracts or arrangements with HCN or Revera or their respective affiliates (except as otherwise permitted by or approved under paragraphs 4, 5 or 6),
- 8 Direct and indirect Dispositions of any Interest to which the Company is party (subject to Dispositions as permitted herein)
- 9 An event of Insolvency or engaging in any corporate restructurings or recapitalizations or liquidation or rationalisation of the Company
- 10 Any additional capital calls (other than with respect to any capital calls required to incrementally finance or fund a Development Opportunity that has been approved by both HCN UK and Revera UK)
- 11 Entry into material leases or agreements or arrangements involving in excess of £165,000 annually or £165,000 in the aggregate (except as otherwise permitted by or approved under paragraphs 4 or 6)
- 12 Setting reserves
- 13 Declaring or making dividends or distributions (including the distribution of Distributable Funds (as such term is defined in the Shareholders' Agreement))

- 14 Electing or removing directors or managers or officers other than as provided in Articles 11 – 14 (inclusive)
- 15 Making payments to directors, officers or managers
- 16 Any capital raising (debt or equity), except as otherwise permitted by paragraphs 5 or 22
- 17 Approval of any business plans, budgets (including operating, capital expenditure and development) and entry into material amendments to such business plans or budgets
- 18 Any material amendments or variations or any payments in excess of £165,000 (aggregated for related items) relating to the Relevant Agreements (as such term is defined in the Shareholders' Agreement), the SPAs, the Loan Agreements, Lease Agreements, the Devco Development Loan Agreements or the Transaction Security (as the term is defined in each Devco Development Loan Agreement) (other than any amendments or variations which (i) are made pursuant to the terms of any written authority granted to the board by all the shareholders, and/or (ii) do not, directly or indirectly, adversely affect the rights of any member of the Gracewell Group or Revera UK thereunder or are, in the opinion of HCN UK (acting reasonably), administrative in nature)
- 19 The transfer, pursuant to the relevant Propco Development Loan Agreement, of any asset over which security has been granted in respect of a Devco Development Loan or the giving of any instruction to be given by Propco to SIPL Finco under a Propco Development Loan Agreement in relation to SIPL Finco exercising (or refraining from exercising) any of its rights or discretions under a Devco Development Loan Agreement (including, without limitation, any right to enforce any security granted in connection with that Devco Development Loan Agreement)
- 20 Any transfer, assignment or revocation of any material rights, material benefits or material obligations under the Relevant Agreements (as such term is defined in the Shareholders' Agreement), the SPAs, the Loan Agreements, the Lease Agreements, the Devco Development Loan Agreements, or the Transaction Security (as the term is defined in each Development Loan Agreement).
- 21 Permitting the registration of any person as a shareholder of the Company other than as expressly permitted by these Articles (except as approved under paragraph 16)
- 22 Increasing the amount of the issued share capital, granting any option or other interest (in the form of convertible securities or in any other form) over or in the Company's share capital, redeeming or purchasing any of the Company's own shares or effecting any other reorganisation of the Company's share capital
- 23 Any other decision designated, from time to time, by HCN UK and Revera UK jointly as a "Material Decision"

Part III

No decision set out in Part II to Schedule 1 shall be subject to Article 2 2(a) to the extent that any of the following apply with respect to such decision

- 1 If and to the extent that the matter has specifically been approved as part of a business plan or budget or to the extent it entails performance of contractual obligations under the terms of a Loan Agreement, Relevant Agreement or Transaction Document (as such terms are defined in the Shareholders' Agreement)
- 2 In respect of a Relevant Site (as such term is defined in the Shareholders' Agreement), including in relation to the Propco Development Loan Agreement, Devco Development Loan Agreement and SPA for that Relevant Site (as such term is defined in the Shareholders' Agreement)
- 3 In respect of a Rejected Site
- 4 Any payment, repayment, cancellation of any repayment obligation or commitment in respect of financial indebtedness or set off made or deemed to be made under any Transaction Document (as such term is defined in the Shareholders' Agreement) following any payment either (a) pursuant to a guarantee given by HCN to Revera UK, or (b) pursuant to a Buy-Out Right (as such term is defined in the Shareholders' Agreement) of either HCN and HCN UK or Revera and Revera UK

SCHEDULE 2

Any of the following matters

- 1 Altering in any respect the constitutional documents of the Company or the rights attaching to any of the shares or securities of the Company
- 2 Changing the auditors of the Company or the Company's financial year end
- 3 Amalgamating or merging with any company which is not a subsidiary of the Company,
- 4 Making or permitting any material change to be made in the accounting policies and principles in the preparation of financial statements (audited or otherwise) and management accounts except as may be required to ensure compliance with Applicable Law
- 5 Altering the name or registered office of the Company
- 6 Adopting or amending any budget or management accounts in respect of any financial year or project
- 7 Changing the nature of the business of the Company or commencing any new business
- 8 Establishing or amending any profit-sharing, share option, bonus or other incentive scheme of any nature for directors or managers or senior employees
- 9 Establishing or amending any pension scheme or granting any pension rights to any director, manager, officer, employee, former director/manager, officer or senior employee, or any member of any such person's family
- 10 Entry into any agreements or arrangements outside the ordinary course of business of the Company, in each case to the extent the value of such agreement or arrangement is, in the reasonable opinion of the directors, expected to be in excess of £165,000,
- 11 Applying for the direct or indirect listing or trading of any shares or debt securities of the Company on any stock exchange or market
- 12 Passing any resolution for the Company's winding up or presenting any petition for their administration (unless the Company has become insolvent)
- 13 Creating or granting any encumbrance over the whole or any part of any business, undertaking or assets or over any shares or securities or agreeing to do so
- 14 Instituting, settling or compromising any legal proceedings instituted or threatened or submitting to arbitration or alternative dispute resolution relating to any dispute or claim involving the Company with a value in excess of £66,000 (with all related claims/disputes being aggregated for the purposes of this threshold) (other than ordinary course collection actions)
- 15 Except as specifically provided for in any operating or development budgets, annual

operating or capital expenditure budgets or any business plan of the Company which has been approved in accordance with the terms of a shareholders agreement between Health Care REIT, Inc, SIPL Finco S a r l, HCN UK Holdco Limited, HCN UK Investments Limited, Revera, Inc, Revera UK Holdings Ltd, Grace Lodge Care Holdings S à r l, Grace Lodge Care Operating S à r l and Gracewell Properties Holding S à r l, and except as provided for in a tax sharing agreement between Grace Lodge Care Holdings S à r l and Revera UK Holdings Ltd, any dealings, relationships, arrangements or agreements between Health Care REIT, Inc or any of its affiliates and the Company