

CO. NO: 2028054

The Companies Act 1985
Private Company Limited By Shares

MEMORANDUM OF ASSOCIATION

of

CASTLE DAIRIES LIMITED

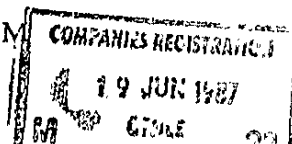
(As amended by Special Resolutions passed 13th August 1986 and 17th October 1986)

1. The Company's name is * Castle Dairies Limited
2. The Company's registered office is to be situated in England and Wales
3. The Company's objects are:-
 - (A) (1) To carry on business as manufacturers, processors, packers, importers and exporters of, and factors, brokers, agents and dealers in milk, condensed milk, milk powder, dried milk, ice-cream powder, yoghurt, cream, butter, margarine, lard, bacon, cheese, eggs, poultry, meat, honey, vegetables, fruit, groceries, eatables and provisions of all kinds, both wholesale and retail.
 - (2) To carry on business as cow keepers, dairymen, farmers and market gardeners in all their respective branches.
 - (3) To carry on business as grocers, greengrocers, provision dealers, butchers and general store-keepers, both wholesale and retail.
 - (B) To carry on any other trade or business which can, in the opinion of the Board of Directors, be advantageously carried on by the Company.
 - (C) To acquire by purchase, lease, exchange, hire or otherwise, or to hold for any estate or interest, any land, buildings, easements, rights, privileges, concessions, patents, patent rights, licences, secret processes, machinery, plant, stock-in-trade and any real or personal property of any kind necessary or convenient for the purposes of or in connection with the Company's business.
 - (D) To erect, alter or maintain any buildings, plant and machinery necessary or convenient for the Company's business and to contribute to or subsidise the erection, construction and maintenance of any of the above.
 - (E) To acquire by subscription or otherwise and hold, sell, deal with or dispose of any shares, stock, debentures, debenture stocks, or other
- * The name of the Company was changed from Doublegrowth Limited on 6th November 1986.

We certify that this document
is filed in accordance with
Section 18 of the Companies Act, 1985

Director/Secretary.....*Alan Palmer*

OC 20/CASIM



securities of any kind whatsoever, guaranteed by any company constituted or carrying on business in any part of the world and debentures, debenture stock and other securities of any kind guaranteed by any Government or Authority, Municipal, Local or otherwise, whether at home or abroad, and to subscribe for the same either conditionally or otherwise and to guarantee the subscription thereof and to exercise and enforce all rights and powers conferred by the ownership thereof.

- (F) To receive money on deposit either without security or secured by debentures, debenture stock (perpetual or terminable), mortgage or other security charged on the undertaking or on all or any of the assets of the Company including uncalled capital, and generally to act as bankers.
- (G) To borrow and raise money in any manner and to secure with or without consideration the repayment of any money borrowed, raised, or owing by mortgage, charge, debenture, debenture stock, bond, standard security, lien or any other security of whatsoever nature upon the whole or any part of the Company's property or assets (whether present or future) including its uncalled capital, and also by a similar mortgage, charge, debenture, debenture stock, bond, standard security, indemnity, lien or security of whatsoever nature to secure and guarantee the performance by the Company or any other company or person (including, but without prejudice to the generality of the foregoing) the holding company of the Company or any company which is a subsidiary of such holding company within each case the meaning of section 736 of the Act, of any obligation or liability it or such person or company may undertake or which may become binding upon it or such person or company, and to secure any securities of the Company by a Trust Deed or other assurance and to enter into partnership or any joint purse arrangement with any person, persons, firm or company.
- (H) To lend money with or without security, and to invest money of the Company upon such terms as the Company may approve, and to guarantee the dividends, interest and capital of the shares, stocks or securities of any company of or in which the Company is a member or is otherwise interested, and generally as the Directors think fit.
- (I) To apply for, purchase or otherwise acquire and hold or use any patents, licences, concessions, copyrights and the like, conferring any right to use or publish any secret or other information and to use, exercise, develop or grant licences in respect of the property, rights or information so acquired.
- (J) To take part in the formation, management, supervision or control of the business or operation of any company or undertaking and for that purpose to appoint and remunerate any Directors, Accountants, Consultants, experts or agents.
- (K) To employ experts, consultants and valuers to investigate and examine the condition, prospects, value, character and circumstances of any business concerns and undertakings and generally of any assets, property or rights.
- (L) To establish or promote or concur in establishing or promoting any other company whose objects shall include the acquisition or taking over of all or any of the assets or liabilities of the Company or the promotion of which shall be in any manner calculated to advance directly or indirectly the objects or the interests of the Company and to acquire, hold or

dispose of shares, stocks or securities issued by or any other obligations of any such other company.

- (M) To draw, accept and negotiate promissory notes, bills of exchange and other negotiable instruments.
- (N) To invest and deal with the monies of the Company not immediately required for the purposes of the business of the Company in or upon such investments and in such manner as the Company may approve.
- (O) To pay for any property or rights acquired by the Company either in cash or by the issue of fully or partly paid up shares, with or without preferred or deferred or special rights or restrictions in respect of dividend repayment of capital, voting or otherwise, or by any securities which the Company has power to issue, or partly in one mode and partly in another, and generally on such terms as the Company may determine.
- (P) To accept payment for any property or rights sold or otherwise disposed of or dealt with by the Company, either in cash, by instalments or otherwise, or in fully or partly paid-up shares or stock of any company or corporation, with or without preferred or deferred or special rights or restrictions in respect of dividend, repayment of capital, voting or otherwise, or in debentures or mortgages or other securities of any company or corporation or partly in one mode and partly in another, and generally on such terms as the Company may determine, and to hold, dispose of or otherwise deal with any shares, stock or securities so acquired.
- (Q) To enter into arrangements for joint working in business or amalgamate with or enter into any partnership or arrangement for sharing profits, union of interests, reciprocal concession or co-operation with any company, firm or person carrying on or proposing to carry on any business within the objects of the Company or which is capable of being carried on so as directly or indirectly to benefit the Company.
- (R) To purchase or otherwise acquire, take over and undertake all or any part of the business, property, liabilities and transactions of any person, or company carrying on any business the carrying on of which is calculated to benefit the Company or to advance its interests, or possessed of property suitable for the purposes of the Company.
- (S) To sell, improve, manage, develop, turn to account, exchange, let on rent, royalty, share of profits or otherwise, grant licences, easements and other rights in or over, and in any other manner deal with or dispose of the undertaking and all or any of the property and assets for the time being of the Company for such consideration as the Company may think fit.
- (T) To provide for the welfare of persons employed or formerly employed by the Company and to grant pensions, allowances, gratuities and bonuses to officers or ex-officers, employees or ex-employees of the Company or its predecessors in business or of any associated company of the Company or its predecessors in business or the dependants of such persons and to establish and maintain or concur in establishing and maintaining trusts, funds or schemes (whether contributory or non-contributory), with a view to providing pensions or other funds for any such persons as aforesaid or their dependants.

- (U) To subscribe to or otherwise aid the establishment and support of, any schools and any educational, scientific, literary, religious or charitable institutions or trade societies, whether such institutions or societies be solely connected with the business carried on by the Company or its predecessors in business or not, and to institute and maintain any club or other establishment.
- (V) To distribute in specie assets of the Company properly distributable amongst the members, but so that no distribution amounting to a reduction of capital be made except with the sanction (if any) for the time being required by law.
- (W) To do all or any of the things hereinbefore authorised, either alone or in conjunction with others, or as factors, trustees or agents for others, or by or through factors, trustees or agents.
- (X) To do all such other things as are incidental to or which the Company may think conducive with the above objects or any of them.

The objects set forth in any sub-clause of this clause shall not be restrictively construed but the widest interpretation shall be given thereto, and they shall not, except when the context expressly so requires, be in any way limited to or restricted by reference to or inference from any other object or objects set forth in such sub-clause or from the terms of any other sub-clause or by the name of the Company. None of such sub-clauses or the object or objects therein specified or the powers thereby conferred shall be deemed subsidiary or ancillary to the objects or powers mentioned in any other sub-clause, but the Company shall have full power to exercise all or any of the powers and to achieve or to endeavour to achieve all or any of the objects conferred by and provided in any one or more of the said sub-clauses.

4. The liability of the Members is limited.

5. * The Share Capital of the Company is £1,000 divided into 1,000 Shares of £1 each.

* By Special Resolution passed 17th October 1986, the Share Capital was increased to £290,000 by the creation of 104,000 Ordinary Shares of £1 each, 45,000 "A" Shares of £1 each and 140,000 Preference Shares of £1 each.

WE, the several persons whose names, addresses and descriptions are subscribed, are desirous of being formed into a Company in pursuance of this Memorandum of Association, and we respectively agree to take the number of shares in the capital of the Company set opposite our respective names.

Names, Addresses and Descriptions
of Subscribers

Number of Shares taken
by each Subscriber

IAN HOWARTH
124-128 City Road,
London EC1V 2NJ.

ONE

Sales Manager

SIMON RODERICK FAIRLEY
124-128 City Road,
London EC1V 2NJ.

ONE

General Manager

Dated the 12th day of May 1986

WITNESS to the above Signatures:-

LYNDA SPENCER
124-128 City Road,
London EC1V 2NJ.

Production Manager

The Companies Acts 1985
Private Company Limited by Shares

ARTICLES OF ASSOCIATION

of

CASTLE DAIRIES LIMITED

(Adopted by Special Resolution passed on 17th October 1986)

Preliminary

1. In these articles and in Table A:-

 'the Act' means the Companies Act 1985 and every statutory modification or re-enactment thereof for the time being in force.

 'Table A' means Table A in the Companies (Table A-F) Regulations 1985 as amended by the Companies (Tables A-F) (Amendment) Regulations 1985.
2. (A) The regulations contained in or incorporated in Table A shall apply to the Company save insofar as they are excluded or varied hereby or are inconsistent herewith and such regulations (save as so excluded varied or inconsistent) and the articles hereinafter contained shall be the regulations of the Company.

 (B) Regulations 54, 73-80 (inclusive), 85, 86, 94-98 (inclusive) and 118 of Table A shall not apply to the Company.

Share Capital

3. The share capital of the Company at the date of the adoption of this article is £290,000 divided into 140,000 preference shares of £1 each 45,000 'A' ordinary shares of £1 each and 105,000 ordinary shares of £1 each.

The rights attaching to the respective classes of shares shall be as follows.

(i) Income

The profits of the Company in respect of any financial year shall be applied as follows.

- (a) First in paying to the holders of the preference shares a fixed cumulative preferential net cash dividend of 9.5 pence per annum on each share (hereinafter in these articles referred to as 'the Preference Dividend') payable half yearly on 31st March and 30th September.

(b) Second in paying to the holders of the 'A' ordinary shares as a class in respect of each financial year of the Company a cumulative preferential net cash dividend (hereinafter in these articles referred to as 'the Participating Dividend') of a sum equal to 8.5% of the Net Profit (calculated as hereinafter provided) of the Company and its subsidiaries for the relevant financial year.

The Participating Dividend (if any) shall be paid not later than 6 months after the end of each successive accounting reference period of the Company or not later than 14 days after the annual general meeting at which the audited accounts of the Company for the relevant financial year are presented whichever is earlier.

For the purpose of calculating the Participating Dividend the expression 'Net Profit' shall mean the net profit of the Company and its subsidiaries calculated on the historical cost accounting basis and shown in the audited consolidated profit and loss account of the Company and its subsidiaries for the relative financial year (to the nearest £1):-

(1) before any provision is made for any dividend on any share in the capital of the Company or any of its subsidiaries or for any other distribution or for the transfer of any sum to reserve and before charging or crediting extra-ordinary items;

(2) before deducting any corporation tax (or any other tax levied upon or measured by profits or gains) on the profits earned and gains realised by the Company and its subsidiaries.

(3) before deducting any sum in respect of emoluments (including emoluments as defined by paragraph 22(3) of Schedule 5 of the Act) payable to the Company's and any subsidiary's directors and former directors where such directors are interested in shares in the Company and their connected persons (as defined by Section 533 Income and Corporation Taxes Act 1970) in excess of £50,000 in the aggregate such sum to be adjusted annually on 31st December each year commencing on 31st December 1987 by a percentage equal to the percentage increase in the retail price index published by the Government to 30th November in the year in question from 30th November in the previous year.

(c) Any remaining profits which the Company determines to distribute in any financial year shall be applied as follows.

(1) First in paying to the holders of the ordinary shares a dividend for such year on each share of an amount equal to the amount of dividend paid in respect of that financial year on each 'A' ordinary share.

(2) Second in distributing the balance of the profits amongst the holders of the 'A' ordinary and ordinary shares (pari passu as if the same constituted one class of share).

Every dividend shall be distributed to the appropriate shareholders pro-rata according to the amounts paid up or credited as paid up on the shares held by them respectively and shall accrue on a daily basis.

Unless the Company has insufficient profits available for distribution and the Company is thereby prohibited from paying dividends by the Act the

Preference Dividend and the Participating Dividend shall (notwithstanding any regulation contained in Table A or any other provision of these articles and in particular notwithstanding that there has not been a recommendation of the directors or resolution of the Company in general meeting) be paid immediately on the due date and if not then paid shall be a debt due by the Company and be payable on the next due date in priority to any other dividend.

(ii) Capital

On a return of assets on liquidation or otherwise, the assets of the Company remaining after the payment of its liabilities shall be applied as follows:-

first in paying to the holders of the preference shares the subscription price per share together with a sum equal to any arrears deficiency or accruals of the dividends on the preference shares calculated down to the date of the return of capital and payable irrespective of whether such dividend has been declared or earned or not;

second in paying to the holders of the 'A' ordinary shares the subscription price per share together with a sum equal to any arrears deficiency or accruals of the dividends on the 'A' ordinary shares calculated down to the date of the return of capital and payable irrespective of whether such dividend has been declared or earned or not;

third in paying to the holders of ordinary shares per share a sum equal to the amount of capital paid on each 'A' ordinary share; and

the balance of such assets shall be distributed amongst holders of the 'A' ordinary shares and ordinary shares (pari passu as if the same constituted one class of share) in proportion to the amounts paid up or credited as paid up on the 'A' ordinary shares and ordinary shares held by them respectively.

(iii) Conversion

The holders of the 'A' ordinary shares shall be entitled at any time to convert the whole of the 'A' ordinary shares into ordinary shares and the following provisions shall have effect:-

(a) the conversion shall be effected by notice in writing signed by the holder or holders of the majority of the 'A' ordinary shares given to the Company or by an ordinary resolution passed at a separate meeting of the holders of 'A' ordinary shares which meeting shall be convened by the directors forthwith upon the request in writing of any holder of such shares;

(b) the conversion shall take effect immediately upon the date of delivery of such notice to the Company or (as the case may be) upon the date on which such resolution is passed;

(c) forthwith thereafter the holders of the ordinary shares resulting from the conversion shall send to the Company the certificates in respect of their respective holdings of 'A' ordinary shares and the Company shall issue to such holders respectively certificates for the ordinary shares resulting from the conversion;

(d) the ordinary shares resulting from the conversion shall

rank from the date of conversion pari passu in all respects with the remaining ordinary shares in the capital of the Company;

(e) on the date of conversion the Company shall pay a dividend to the holders of the 'A' ordinary shares of a sum equal to any arrears, deficiency or accruals of the dividends on the 'A' ordinary shares calculated on a daily basis to the date of conversion and the Participating Dividend shall be calculated pro rata accordingly to the profits of the Company and its subsidiaries for the relative financial year down to the date of such conversion such profits to be calculated by the Company on a basis acceptable to the holder of the 'A' ordinary shares.

(iv) Redemption

(a) Subject to the provisions of the Act the preference shares shall be redeemed in the proportions and on the dates set out below:

<u>Redemption date</u>	<u>Number of shares redeemable</u>
31st December 1987	28,000
31st December 1988	28,000
31st December 1989	28,000
31st December 1990	28,000
31st December 1991	28,000

(b) On the dates so fixed each registered holder of preference shares shall be bound on receipt of fourteen days prior written notice to surrender to the Company the certificate for his shares which are to be redeemed in order that the same may be cancelled, and upon such surrender the Company shall pay to such holder the amount payable in respect of such redemption provided that if any certificate so surrendered to the Company includes any shares not redeemable a fresh certificate for the balance of the shares not redeemable shall be issued to the holder by the Company.

(c) There shall be paid on each of the preference shares so redeemed the sum of £1 together with a sum equal to any arrears deficiency or accruals of the cumulative dividends thereon to be calculated down to the date of redemption whether such dividends have been declared or earned or not and the cumulative dividends thereon shall cease to accrue from that date unless upon delivery up of the certificate for such shares payment of the redemption moneys shall be refused.

Class Rights

4. Whenever the capital of the Company is divided into different classes of shares the special rights attached to any class may be varied or abrogated either whilst the Company is a going concern or during or in contemplation of a winding up, with the consent in writing of the holders of a 75% majority of the issued shares of that class, but not otherwise. Without prejudice to the generality of this article, the special rights attached to the preference shares and 'A' ordinary shares shall be deemed to be varied:-

(i) by any alteration or increase or reduction of the authorised or issued capital of the Company or of any of its subsidiaries, or by any

variation of the rights attached to any of the shares for the time being in the capital of the Company or of any of its subsidiaries; or

(ii) by the sale of the undertaking of the Company or of any of its subsidiaries or any substantial part thereof; or

(iii) by the disposal of any share in the capital of any subsidiary of the Company;

(iv) by any alteration of the restrictions on the powers of the directors of the company and its subsidiaries to borrow give guarantees or create charges; or

(v) by the application by way of capitalisation of any sum in or towards paying up any debenture or debenture stock of the Company; or

(vi) by the calling of a meeting of the Company for the purpose of considering a resolution for the winding up of the Company;

(vii) by the calling of a meeting of the Company for the purpose of considering a resolution to approve a contract by the Company to purchase any of its shares;

(viii) by the calling of a meeting of the Company for the purpose of considering a resolution for amending the Memorandum or Articles of Association of the Company.

Further Issue of Shares

5. (A) Notwithstanding any other provisions of these articles the directors shall be bound to offer to any member of the 3i Group (as hereinafter defined) for the time being holding shares in the capital of the Company such a proportion of any shares forming part of the equity share capital of the Company which the directors determine to issue as the aggregate nominal value of shares in the equity share capital of the Company for the time being held by such member of the 3i Group bears to the total issued equity share capital of the Company immediately prior to the issue of the shares. Any shares issued to a member of the 3i Group pursuant to such offer shall be issued upon no less favourable terms and conditions than those issued to any other shareholder and so that such shares shall at the request of 3i be registered in the name or names of any one more members of the 3i Group.

(B) For the purposes of these articles the expressions '3i' shall mean Investors in Industry plc (a subsidiary of Investors in Industry Group plc) and 'a member of the 3i Group' shall mean Investors in Industry Group plc, 3i and any other subsidiary of Investors in Industry Group plc.

Lien

6. The lien conferred by Regulation 8 of Table A shall apply to all shares of the company whether fully paid or not and to all shares registered in the name of any person indebted or under liability to the company Whether he be the sole registered holder thereof or one of several joint holders.

Calls

7. The liability of any member in default in respect of a call shall be increased by the addition at the end of the first sentence of Regulation 18 in

Table A of the words 'and all expenses that may have been incurred by the Company by reason of such non-payment.'

Transfer of Shares

8. (A) The directors shall refuse to register any transfer of shares made in contravention of the provisions of article 9 but shall not be entitled to refuse to register any transfer of shares made under article 10 or any transfer to which the consent in writing of all the members for the time being is given.

(B) Subject to article 11 any member may during his lifetime transfer or by will bequeath or otherwise dispose of on death any shares to or to trustees for the spouse or any child or remoter issue (including a child by adoption of such member).
9. (A) Every member who desires to transfer any share or shares (hereinafter called 'the Vendor') shall give to the Company notice in writing of such desire ('Transfer Notice'). Subject as hereinafter mentioned a Transfer Notice shall constitute the Company the Vendors agent for the sale of the shares or shares specified therein (hereinafter called 'the Sale Shares) in one or more lot at the discretion of the directors to all the members of the Company other than the Vendor at a price to be agreed upon by the Vendor and the directors or in the case of difference at the price which a chartered accountant nominated by agreement between the Vendor and the Company or in default of such agreement by the President for the time being of the Institute of Chartered Accountants in England and Wales shall by writing under his hand certify to be in his opinion a fair value thereof on a going concern basis as between a willing seller and a willing buyer and ignoring any reduction in value which may be ascribed to the Sale Shares by virtue of the fact that they represent a minority interest. The Transfer Notice may contain a provision that unless all shares comprised therein are sold by the Company pursuant to this article none shall be sold and any such provision shall be binding on the Company.

(B) If a chartered accountant is asked to certify the fair value as aforesaid his certificate shall be delivered to the Company and as soon as the Company receives the certificate it shall furnish a certified copy thereof to the Vendor and the Vendor shall be entitled by notice in writing given to the Company within ten days of the service upon him of the certified copy to cancel the Company's authority to sell the Sale Shares. The cost of obtaining the certificate shall be borne by the Company unless the Vendor shall give notice of cancellation as aforesaid in which case the Vendor shall bear the said cost.

(C) Upon the price being fixed as aforesaid and provided the Vendor shall not give notice of cancellation as aforesaid the Company shall forthwith offer the sale shares to all members (other than the Vendor) pro rata as nearly as may be in proportion to the existing numbers of shares held by such members giving details of the number and price (being the fair value) of such Sale Shares. The Company shall invite each such member as aforesaid to state in writing within twenty-one days from the date of the notice whether it is willing to purchase any of the Sale Shares so offered to it and if so the maximum thereof which it is willing to purchase. If at the expiration of the said period of twenty-one days there are any sale shares offered which any of the members hereinbefore mentioned has not so stated their willingness to purchase the

Company shall offer such shares to such members as have stated in writing their willingness to purchase all the shares previously offered to them pro rata as nearly as maybe in proportion to existing numbers of shares then held by them which offer shall remain open for a further period of twenty-one days.

(D) If the Company shall pursuant to the above provisions of this article find a member or members of the Company willing to purchase all or any of the Sale Shares the Vendor shall be bound upon receipt of the fair value to transfer the Sale Shares (or such of the same to which the company shall have found a purchaser or purchasers) to such persons and if the Vendor shall make default in so doing the Company shall if so required by the person or persons willing to purchase such Sale Shares receive and give a good discharge for the purchase money on behalf of the Vendor and shall authorise some person to execute transfers of the Sale Shares in favour of the purchasers and shall enter the names of the purchasers in the Register of Members as the holder of such of the Sale Shares as shall have been transferred to them as aforesaid.

(E) If the directors shall not have found a members or members of the Company willing to purchase all of the Sale Shares pursuant to the foregoing provisions of this article the Vendor shall at any time within six months after the final offer by the Company to its members be at liberty to sell and transfer such of the Sale Shares as have not been so sold to any person at a price being no less than the fair value.

10. Notwithstanding any other provisions of these articles a transfer of any shares in the Company held by any member of the 3i Group may be made between the member in the 3i Group holding such shares and any other member in the 3i Group without restriction as to price or otherwise and any such transfer shall be registered by the directors.

Limitation on transfer of control

11. (A) Without the previous written consent of a 75% majority of the 'A' ordinary shares no sale or transfer of shares in the Company may be made if as a result of such other sale or transfer and registration thereof a Controlling Interest (as hereinafter defined) is obtained by a person or persons (whether or not a body corporate) who was or were not a member or members of the Company on the date this article was adopted as an article of association of the Company unless the proposed transferee or transferees or his or their nominees are independent third parties acting in good faith and has or have offered to purchase all the 'A' ordinary shares at the Specified Price (as hereinafter defined) and all the preference shares at a price per share of at least £1 plus a sum equal to any arrears deficiency or accruals of the dividends on each such preference share calculated down to the date of sale or transfer.

(B) For the purpose of this Article:-

(i) the expression 'a Controlling Interest' shall mean an interest (within the meaning of Schedule 13 Part I and Section 324 of the Act) in shares in the Company conferring in the aggregate 50% or more of the total voting rights conferred by all the issued shares in the Company;

(ii) the expressions 'transfer' and 'transferee' shall include respectively the renunciation of a renounceable letter of allotment and the renounee under any such letter of allotment; and

(iii) the expression 'the Specified Price' shall mean the higher of

(a) A price per share of £1.33 plus a sum equal to any arrears deficiency or accruals of the dividends on such share calculated down to the date of sale or transfer; and

(b) A price per share at least equal to that offered or paid or payable by the proposed transferee or transferees or his or their nominees for any other shares in the Company plus an amount equal to the relevant proportion of any other consideration (in cash or otherwise) received or receivable by the holders of such other shares which having regard to the substance of the transaction as a whole can reasonably be regarded as an addition to the price paid or payable for such other shares provided that if any part of the price per share is payable otherwise than by cash the holders of the 'A' ordinary shares may at their option elect to take a price per share of such cash sum as agreed by them having regard to the substance of the transaction as a whole.

In the event of disagreement the calculation of the Specified Price shall be referred to an umpire (acting as expert and not as arbitrator) nominated by the parties concerned (or in the event of disagreement as to nomination, appointed by the President for the time being of the Institute of Chartered Accountants in England and Wales) whose decision shall be final and binding;

(C) All other regulations of the Company relating to the transfer of shares and the right to registration of transfers shall be read subject to the provisions of this article.

Voting

12. Subject to any special rights or restrictions as to voting attached to any shares by or in accordance with the articles, on a show of hands every member who (being an individual) is present in person or (being a corporation is present by a representative not being himself a member, shall have one vote and on a poll every member who is present in person or by proxy or (being a corporation) is present by a representative or by proxy shall (except as hereinafter provided) have one vote for every £1 in nominal amount of shares in the capital of the Company of which he is the holder. Provided that the holders of the preference shares shall be entitled to receive notice of all general meetings but shall not be entitled to attend or vote at any general meeting.

Appointment of Directors

13. The directors may appoint a person who is willing to act to be a director, either to fill a vacancy or as an additional director.

Proceedings of Directors

14. Notice of every meeting of the directors shall be given to each director at any address supplied by him to the Company for that purpose whether or not he be present in the United Kingdom provided that any director may waive notice of any meeting either prospectively or retrospectively and if he shall do

so it shall be no objection to the validity of such meeting that notice was not given to him.

15. Subject to the provisions of the Act and provided that he has disclosed to the directors the nature and extent of any material interest of his, a director notwithstanding his office:-

- (a) may be a party to, or otherwise interested in, any transaction or arrangement with the Company or in which the Company is in any way interested;
- (b) may be a director or other officer of, or employed, or a party to any transaction or arrangement with, or otherwise interested in, any body corporate promoted by the Company or in which the Company is in any way interested;
- (c) may, or any firm or company of which he is a member or director may, act in a professional capacity for the Company or any body corporate in which the Company is in any way interested;
- (d) shall not, by reason of his office, be accountable to the Company for any benefit which he derives from such office, service or employment or from any such transaction or arrangement or from any interest in any such body corporate and no such transaction or arrangement shall be liable to be avoided on the ground of any such interest or benefit; and
- (e) shall be entitled to vote and be counted in the quorum on any matter concerning paragraphs (a) to (d) above

For the purposes of this article:-

- (i) a general notice to the directors that a director is to be regarded as having an interest of the nature and extent specified in the notice in any transaction or arrangement in which a specified person or class of persons is interested shall be deemed to be a disclosure that the director has an interest in any such transaction of the nature and extent so specified;
- (ii) an interest of which a director has no knowledge and of which it is unreasonable to expect him to have knowledge shall not be treated as an interest of his; and
- (iii) an interest of a person who is, for any purpose of the Act (excluding any statutory modification not in force when this article becomes binding on the Company), connected with a director shall be treated as an interest of the director and, in relation to an alternate director, an interest of his appointor shall be treated as an interest of the alternate director without prejudice to any interest which the alternate director has otherwise.

Special Director

16. Notwithstanding any other provisions of these articles 3i shall be entitled to appoint as a director of the Company any person (herein referred to as 'a Special director') approved by the directors (whose approval shall not be unreasonably withheld) and to remove from office any person so appointed and (subject to such approval) to appoint another person in his place. The remuneration and reasonable expenses to be paid to a Special director shall be payable by the Company and shall be such sum as may be agreed between him

and the Company or failing agreement such reasonable sum as shall be fixed by 3i.

Upon request by 3i the Company shall also procure that a Special director be appointed a director to any subsidiary of the Company.

Director's Borrowing Powers

17. Subject as hereinafter provided the directors may exercise all the powers of the Company (whether express or implied):-

- (i) of borrowing or securing the payment of money;
- (ii) of guaranteeing the payment of money and the fulfilment of obligations and the performance of contracts; and
- (iii) of mortgaging or charging the property assets and uncalled capital of the Company and issuing debentures

but so that:-

(a) the directors of the Company shall procure that the aggregate amounts for the time being remaining undischarged by virtue of any of the foregoing operations and by virtue of any of the like operations by any subsidiary of the company (including any liability (whether ascertained or contingent) under any guarantee for the time being in force but excluding inter-company loans, mortgages and charges) shall not without the previous sanction of the 'A' ordinary shareholders exceed a sum which is the greater of £1,600,000 or twice the aggregate of the nominal amount of the share capital of the Company for the time being issued and paid up or credited as paid up and the amounts for the time being standing to the credit of the capital and revenue reserves and the share premium account of the Company and all its subsidiaries (excluding any amounts arising from the writing up of the book values of any capital assets and any amounts attributable to goodwill and minority interests and any amounts set aside for future taxation) all as shown by the then latest audited consolidated balance sheet of the Company;

(b) no such sanction shall be required to the borrowing of any sum of money intended to be applied in the repayment (with or without premium) of any moneys then already borrowed and outstanding, notwithstanding that the same may result in such limit being exceeded;

(c) no lender or other person dealing with the Company shall be concerned to see or enquire whether the limit imposed by this article is observed and no debt or liability incurred in excess of such limit shall be invalid and no security given for the same shall be invalid or ineffectual except in the case of express notice to the lender or recipient of the security or person to whom the liability is incurred at the time when the debt or liability was incurred or the security given that the limit hereby imposed has been or was thereby exceeded;

(d) except with the previous sanction of the holders of the 'A' ordinary shares no mortgage or charge shall be created on any part of the undertaking property or assets of the Company except for the purpose of securing moneys borrowed from any member of

the 3i Group with interest thereon and from bankers with interest thereon and bank charges.

Indemnity

18. Subject to the provisions of the Act but without prejudice to any indemnity to which a director may otherwise be entitled, every director or other officer or auditor of the Company shall be indemnified out of the assets of the Company against all costs, charges, losses, expenses and liabilities incurred by him in the execution of his duties or in relation thereto including any liability incurred by him in defending any proceedings, whether civil or criminal, 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 relief is granted to him by the court from liability for negligence, default, breach of duty or breach of trust in relation to the affairs of the Company.