



No. 2902454

00342052

COMPANIES ACT 1985

COMPANY LIMITED BY SHARES

ARTICLES OF ASSOCIATION

(Adopted by Special Resolution on 1 May 2007)

of

BUNZL UK LIMITED¹

1 PRELIMINARY

- 1.1.1 The regulations contained in Table A in The Companies (Tables A to F) Regulations 1985 (as amended) (hereinafter referred to as "Table A") shall apply to the Company save in so far as they are hereby modified or excluded. The regulations applicable to the Company under any former enactment relating to companies shall not apply.
- 1.1.2 Regulations 8, 24 and 73 to 80 inclusive, of Table A shall not apply to the Company.
- 1.1.3 References in Table A and in these Articles to writing shall include typewriting, printing, lithography, photography, telex, fax messages and other means of representing or reproducing words in a legible and non-transitory form.
- 1.2 The Company is a private company and accordingly no offer shall be made to the public (whether for cash or otherwise) of any shares in or debentures of the Company and no allotment or agreement to allot (whether for cash or otherwise) shall be made of any shares in or debentures of the Company with a view to all or any of those shares or debentures being offered for sale to the public.

2 SHARES

- 2.1 The authorised share capital of the Company at the date of the adoption of these Articles is £2,250,000 divided into:
 - 2.1.1 1,000,000 ordinary shares of £1 each (the "**Ordinary Shares**"); and
 - 2.1.2 125,000,000 irredeemable preference shares of £0.01 each (the "**Irredeemable Preference Shares**").
- 2.2 The Ordinary Shares and the Irredeemable Preference Shares shall rank pari passu in all respects save as set out below:
 - 2.2.1 **Dividends**
 - (a) As to income, the Irredeemable Preference Shares shall confer upon the holders thereof the right in priority to any other payment by way of dividend of the Company to receive a cumulative preferential dividend (the "**Preferential Dividend**").

¹ Note: Bunzl UK Limited, formerly known as Yorkco 131 Limited, Alpha Supplies Limited, Bunzl Disposables UK Limited and Bunzl Outsourcing Services UK Limited.

- (b) The Preferential Dividend shall for every Dividend Period (as defined below) in respect of each Irredeemable Preference Share from time to time in issue be:

$((A + 2.50\%) \times 100 \times \text{£}0.01 \times \text{the number of days in the relevant Dividend Period} \div 365)$

where A is as defined in Article 2.2.1 (e) below and a Dividend Period shall be each period of twelve months (save that the first Dividend Period shall be the period between (and including) the date of first issue by the Company of any Irredeemable Preference Shares and 31 December 2009).

- (c) The Preferential Dividend shall accrue from day to day and be payable to the holders of the Irredeemable Preference Shares pro rata according to the number of Irredeemable Preference Shares held by each such shareholder.
- (d) Subject to Part VIII of the Act, the Preferential Dividend shall be paid only out of the profits of the Company available for distribution and which the Directors have in their absolute discretion resolved to distribute or recommended to the Company in General Meeting for distribution.
- (e) For the purpose of Article 2.2.1(b) above 'A' shall be equal to twelve month sterling LIBOR expressed as a percentage, being:
- (i) the rate per annum of the offered quotation for twelve month sterling deposits as at (aa) the date of first issue by the Company of any Irredeemable Preference Shares (for the period from such date until the day before the first Dividend Reference Date) or (bb) the relevant Dividend Reference Date (for all subsequent periods beginning on such Dividend Reference Date and ending on the day before the next following Dividend Reference Date), which is published on Reuters LIBOR01, or any replacement page or service, at or about 11.00 am (London time) on the relevant date and for the purpose of this Article 2.2.1 (e), a "**Dividend Reference Date**" shall be 31 December 2009, which shall be the first Dividend Reference Date, and each anniversary of such date; or
 - (ii) if no such display rate is then available for such sterling deposits, then the arithmetic mean (rounded up, if necessary, to the nearest four decimal places with the mid-point rounded up) of the rates notified to the Company at the Company's request by each of two Clearing Banks to leading banks in the London interbank market at or about 11.00 am (London time) as at the relevant Dividend Reference Date (or the date of first issue by the Company of any Irredeemable Preference Shares, as the case may be) for twelve month sterling deposits, and for the purposes of this article a "**Clearing Bank**" shall be any of The Royal Bank of Scotland plc, Lloyds TSB plc, Barclays Bank plc and HSBC plc;
 - (iii) if, in respect of any Dividend Reference Date (or the date of first issue by the Company of any Irredeemable Preference Shares, as the case may be):

- (aa) no (or only one) Clearing Bank notifies a rate to the Company in response to the Company's request as contemplated by paragraph (ii) above; or
- (bb) on the basis of notification from one or more Clearing Banks, the Company determines that either twelve month sterling deposits are not available in the London Inter-Bank Market at or about 11.00am (London time) as at the relevant Dividend Reference Date (or the date of first issue by the Company of any Irredeemable Preference Shares, as the case may be) or the rates notified by the Clearing Banks do not accurately reflect the cost to such Clearing Banks of obtaining such deposits; or
- (cc) the Company determines that, by reason of circumstances affecting the London Inter-Bank Market, adequate or fair means do not or will not exist for determining the rate applicable for twelve month sterling deposits,

the Company shall promptly notify every holder of the Irredeemable Preference Shares and negotiate with the holders of the Irredeemable Preference Shares an alternative basis for calculating the value of 'A'; or

- (iv) if an alternative basis for calculating the value of 'A' is not agreed among the Company and the holders of Irredeemable Preference Shares within 10 days of the Company becoming aware that any of the conditions in paragraph (iii) above are satisfied, the value of 'A' shall be determined by an independent bank appointed by agreement between the Company and the holders of the Irredeemable Preference Shares or, in the event of a failure to reach such an agreement, appointed on the application of the Company or any holder of the Irredeemable Preference Shares by the President for the time being of the Law Society of England and Wales.

- (f) The Irredeemable Preference Shares shall not confer upon the holders thereof any right to participate in the profits of the Company beyond the Preferential Dividend.
- (g) For the avoidance of doubt, no dividend shall be payable on any Ordinary Shares in respect of any Dividend Period if the Preferential Dividend accrued in relation to such Dividend Period has not been approved by the Directors or the Company in General Meeting (as the case may be) for payment and paid.

2.2.2 Capital

- (a) On a distribution of assets on a winding up or other return of capital, the surplus assets of the Company remaining after payment of its liabilities shall be paid in the following order of priority:
 - (i) firstly, in repaying to the holders of the Irredeemable Preference Shares the nominal value paid up on each such Irredeemable Preference Share held by them on the date of the distribution or other return;

- (ii) secondly, in paying to the holders of the Irredeemable Preference Shares any amount of the Preferential Dividend accrued and/or due but unpaid on the date of the distribution or other return;
 - (iii) thirdly, in paying to the holders of the Irredeemable Preference Shares £0.99 per each Irredeemable Preference Share held by them on the date of the distribution or other return; and
 - (iv) thereafter, any surplus shall be paid to the holders of Ordinary Shares pro rata.
- (b) The Irredeemable Preference Shares shall not confer upon the holders thereof any further right to participate in the assets of the Company available for distribution among the members of the Company.

2.2.3 Voting

The Irredeemable Preference Shares shall not confer upon the holder or holders thereof any right to receive notice of, attend or vote at a general meeting.

2.3 The Directors may unconditionally exercise the power of the Company to allot relevant securities (within the meaning of Section 80(2) of the Act).

2.4 The general authority conferred by this Article shall:-

- 2.4.1 extend to all relevant securities of the Company from time to time unissued during the currency of such authority (including any relevant securities hereafter created);
- 2.4.2 expire on the fifth anniversary of the adoption of these Articles unless varied or revoked or renewed by the Company in General Meeting; and
- 2.4.3 entitle the Directors to make at any time before the expiry of such authority any offer or agreement which will or may require relevant securities to be allotted after the expiry thereof.

2.5 Subject to and without prejudice to the generality of the provisions of Article 2.3 and Article 2.4 hereof any shares unissued at the date of the adoption of these Articles and any shares hereafter created shall be under the control of the Directors who may allot, grant options over or otherwise deal with or dispose of the same to such persons (including the Directors themselves) on such terms and in such manner as they think fit, provided that no shares shall be issued at a discount.

2.6 In accordance with Section 91(1) of the Act, Sections 89(1) and 90(1) to (6) inclusive of the Act shall be excluded from applying to the Company.

2.7 The Company shall have a first and paramount lien on every share (whether or not it is fully paid share) for all monies (whether presently payable or not) called or payable at a fixed time in respect of that share and the Company shall also have a first and paramount lien on all shares (whether fully paid or not) standing registered in the name of any member whether solely or one of two or more joint holders for all monies presently payable by him or his estate to the Company; but the Directors may at any time declare any share to be wholly or in part exempt from the provisions of this Article. The Company's lien on a share shall extend to all dividends payable thereon.

3 CALLS ON SHARES

The following sentence shall be added to the end of regulation 15 of Table A: "Such persons shall also pay to the Company all expenses that may have been incurred by the Company by reason of such non-payment".

4 TRANSFER OF SHARES

The Directors may, in their absolute discretion, and without assigning any reason therefore, decline to register any transfer of any share, whether or not it is a fully paid share.

5 TRANSMISSION OF SHARES

A person becoming entitled to a share by reason of the death or bankruptcy of a member shall not, before being registered as a member in respect of the share, be entitled to receive a copy of any balance sheet (or other document required by law to be annexed thereto) or any notice of a General Meeting, and regulations 31 and 38 of Table A shall be modified accordingly.

6 PURCHASE OF OWN SHARES

Subject to the provisions of the Act, the Company may enter into any contract for the purchase of all or any of its shares of any class (including any redeemable shares but excluding any irredeemable shares) and any contract under which it may, subject to any conditions, become entitled or obliged to purchase all or any of such shares and may make payments in respect of the redemption or purchase of such shares otherwise than out of distributable profits or the proceeds of a fresh issue of shares. Every contract entered into pursuant to this Article shall be authorised by such resolution of the Company as may for the time being be required by law but subject thereto the Directors shall have full power to determine or approve the terms of any such contract. Neither the Company nor the Directors shall be required to select the shares in question rateably or in any other particular manner as between the holders of shares of the same class or as between them and the holders of shares of any other class or in accordance with the rights as to dividends or capital conferred by any class of shares. Subject to the provisions of the Act, the Company may agree to the variation of any contract entered into pursuant to this Article and to the release of any of its obligations under any such contract. Notwithstanding anything to the contrary contained in the Articles, the rights attaching to any class of shares shall not be deemed to be varied by anything done by the Company pursuant to this Article. Regulation 35 of Table A shall not apply.

7 GENERAL MEETINGS

7.1 The Directors may call General Meetings and, on the requisition of members pursuant to the provisions of the Act, shall forthwith proceed to convene an Extraordinary General Meeting for a date not later than four weeks after receipt of the requisition. Regulation 37 of Table A shall be modified accordingly.

7.2 For so long as an elective resolution to dispense with the holding of Annual General Meetings remains in force, regulation 38 of Table A shall be construed accordingly.

8 PROCEEDINGS AT GENERAL MEETINGS

8.1 There shall be added at the end of regulation 41 of Table A the words "and if at the adjourned Meeting a quorum is not present within fifteen minutes after the time appointed for the Meeting, one person entitled to be counted in a quorum present at the Meeting shall be a quorum."

8.2 A poll may be demanded at any General Meeting by the Chairman or by any member present in person or by proxy and entitled to vote. Regulation 46 of Table A shall be modified accordingly.

9 VOTES OF MEMBERS

A proxy shall be entitled to vote on a show of hands and regulation 54 of Table A shall be modified accordingly. An instrument appointing a proxy shall be deemed to confer authority

to vote on any amendment of a resolution put to the meeting for which it is given as the proxy thinks fit and shall be valid as well for any adjournment of the meeting as for the meeting to which it relates.

10 **DELEGATION OF DIRECTORS' POWERS**

The following words shall be added after the words "one or more Directors" in regulation 72 of Table A:-

"who shall have power unless the Directors direct otherwise to co-opt as a member or members of the committee for any specific purpose any person or persons although not being a Director of the Company".

11 **APPOINTMENT DISQUALIFICATION AND REMOVAL OF DIRECTORS**

11.1 The Directors shall not be liable to retire by rotation.

11.2 A Director shall not be required to hold any share qualification.

11.3 The Company may by Ordinary Resolution appoint a person who is willing to act to be a Director, either to fill a vacancy or as an additional Director.

11.4 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.

11.5 Without prejudice to the powers of the Company under Section 303 of the Act to remove a Director by Ordinary Resolution, any member holding, or any members holding in aggregate, a majority in nominal value of such of the issued share capital for the time being of the Company carrying the right to attend and vote at general meetings of the Company shall have the power from time to time and at any time to appoint any person or persons as a Director or Directors either as additional Directors or to fill any vacancy and to remove from office any Director howsoever appointed. Any such appointment or removal shall be effected by an instrument in writing signed by the member or members making the same or in the case of a member being a company signed on its behalf by one of its directors and shall be delivered to the registered office of the Company or be tendered to a meeting of the directors or a general meeting of the Company.

11.6 The office of a Director shall not be vacated if he shall for more than six consecutive months have been absent without permission of the Directors from meetings of the Directors held during that period and he has appointed an alternate Director who has not been similarly absent during such period and regulation 81 of Table A shall be amended accordingly.

11.7 The office of Director shall, in addition to the circumstances mentioned in regulation 81 of Table A be vacated:-

11.7.1 if he is removed from office under paragraph 11.5 of this Article; or

11.7.2 if he shall have served upon him a notice in writing signed by his co-Directors (being at least two in number) removing him from office as a Director.

12 **REMUNERATION OF DIRECTORS**

The following words shall be added after the words "from day to day" in regulation 82 of Table A: "Such remuneration shall be divided among them in such proportions and in such manner as they shall agree, or in default of unanimous agreement equally. Any resolution of the Board of Directors reducing or postponing the time for payment of the Directors' remuneration shall bind all the Directors".

13 PROCEEDINGS OF THE DIRECTORS

- 13.1 Subject to the provisions of Section 317 of the Act, a Director may vote on any contract or arrangement in which he is interested and on any matter arising therefrom and if he shall so vote his vote shall be counted and he shall be reckoned in estimating a quorum when any such contract or arrangement is under consideration. Regulations 94 and 95 of Table A shall be modified accordingly and regulation 96 shall not apply.
- 13.2 Any Director or member of a committee of the Directors may participate in a meeting of the Directors or such committee by means of conference telephone or similar communications equipment whereby all persons participating in the meeting can hear each other and participation in a meeting in this manner shall be deemed to constitute presence in person at such meeting.

14 DIVIDENDS

For so long as any elective resolutions to dispense with the holding of Annual General Meetings and the laying of accounts before the Company in general meeting remain in force a dividend may be declared by Written Resolution of the Company in the amount recommended by the Directors in the relevant accounts. Regulations 102 and 105 of Table A shall be modified accordingly.

15 MISCELLANEOUS PROVISIONS RELATING TO OVERSEAS INTEREST

Table A shall be further modified as follows:-

- 15.1 In regulation 37 the words "within the United Kingdom" shall be deleted;
- 15.2 In relation 88 the following sentence shall be deleted:-
"It shall not be necessary to give notice of a meeting to a Director who is absent from the United Kingdom."
- 15.3 In regulation 112 the final sentence shall be deleted. In the case of joint holders of a share, service or delivery or any notice or other documentation on or to one of the joint holders shall for all purposes be deemed a sufficient service on or delivery to all the joint holders. A notice may also be given to a member by telex or facsimile copy and where a notice is given in this way, service of the notice shall be deemed to have been effected at the time when the telex or copy is transmitted. Regulation 112 shall be modified accordingly;
- 15.4 In regulation 116 the words "within the United Kingdom" shall be deleted;
- 15.5 Any notice or other document, if sent by post, shall be deemed to have been served or delivered on the day following that on which it was put in the post. Regulation 115 shall be modified accordingly.