

**WRITTEN RESOLUTIONS
OF
AUSTIN REED LIMITED (Company Number 00399575)**

(the "Company")

Passed 27 March 2007

We, the undersigned, being the sole member of the Company entitled to attend and vote at general meetings thereof HEREBY PASS the following resolution as special resolutions of the Company as specified below pursuant to section 381A Companies Act 1985 and confirm that such resolutions shall be as valid and effectual as if they had been passed at an extraordinary general meeting of the Company duly convened and held

SPECIAL RESOLUTIONS

- 1 **THAT** the articles of association of the Company be amended by the insertion of the following new article

“ FINANCIAL ASSISTANCE

20 Clause 10 of Table A shall not apply to the Company ”

- 2 **THAT** the articles of association of the Company be amended by the insertion of the following new article

“ TRANSFER OF SHARES

21 Notwithstanding any other provision of these Articles of Association, the directors may not at any time decline to register or delay in registering any transfer of any share

(a) to any person by way of security for finance raised directly or indirectly for the purpose of the acquisition of the company's shares or shares in a holding company or a subsidiary of the company or by way of security for any refinancing of such finance (a "Permitted Transferee"), or

(b) by a Permitted Transferee to any person who receives any of such shares as a result of any enforcement (whether in whole or in part) of any security referred to in 21(a) "

- 3 **THAT** notwithstanding any existing provisions of the Memorandum or Articles of Association of the Company, the Company's execution and delivery of each of the documents listed below in connection with the proposed acquisition by A R Holdings Limited (the "**Purchaser**") of the entire issued share capital Darius Capital Limited ("**DCL**") (a holding company of the Company), and the proposed refinancing of certain indebtedness of DCL incurred for the purpose of the acquisition of the entire ordinary share capital of Austin Reed Group Limited ("**ARGL**") by DCL on 1 February 2007 (the "**Indebtedness**"), as referred to in two statutory declarations (the "**Statutory Declarations**") made by the directors of the Company (which events would constitute the

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giving by the Company of financial assistance (as defined by section 151 of the Companies Act 1985)) be and are hereby approved

- (a) a senior facilities agreement (the "**Facilities Agreement**") between the Purchaser, DCL and each of ARGL, the Company, Austin Reed Credit Services Limited ("**ARCSL**"), Country Casuals Holdings Limited ("**CCHL**") and Country Casuals Limited ("**CCL**") (the Purchaser, DCL, ARGL, the Company, ARCSL, CCHL and CCL together being referred to as the "**Group**") (ARGL, ARCSL, the Company, CCHL and CCL each a "**Subsidiary**" and together the "**Subsidiaries**") and Landsbanki Islands H F (the "**Bank**") (in its capacity as mandated lead arranger, agent and security trustee) pursuant to which the Bank would make available to DCL sterling term loan facilities of up to £18,750,000 (the "**Facilities**") By entering into the Facilities Agreement the Company will give certain representations and warranties, covenants, indemnities and rights of set-off to the Bank to enable the Bank to make the Facilities available,
- (b) a guarantee contained within the Facilities Agreement proposed to be entered into by the Purchaser, the Company and the other Subsidiaries in favour of the Bank and each other Finance Party (as defined in the Facilities Agreement) pursuant to which the Company will guarantee the payment and discharge by the Purchaser, DCL and the other Subsidiaries of all their obligations and liabilities to the Bank and each other Finance Party (as defined therein) under the Finance Documents (as defined therein) (including under the Facilities Agreement) and indemnify each Finance Party in respect of such liabilities,
- (c) an intercreditor deed (the "**Intercreditor Deed**") proposed to be entered into between the Bank (in various capacities), each member of the Group, Landsbanki Commercial Finance ("**Landsbanki CF**") and the Investors (as defined therein) pursuant to which the Company would acknowledge the priority of security and ranking of payments and other contractual arrangements made between the parties thereto,
- (d) a debenture (the "**Debenture**") proposed to be entered into by the Company and each other member of the Group in favour of the Bank (in its capacity as security trustee), pursuant to which the Company would create fixed and floating charges over all its property, assets and undertaking, both present and future, in favour of the Bank (as security trustee) by way of security for the payment and discharge of all obligations and liabilities of the Company to the Bank and to Landsbanki CF The Debenture contains a further assurance clause which would entitle the Bank (as security trustee) to call for additional security documents to be entered into at its request to, amongst other things, perfect by way of legal charge a charge which as created under the Debenture was merely equitable,
- (e) an intra-group loan agreement (the "**Intra-Group Loan Agreement**") proposed to be entered into between each member of the Group (as borrowers) (each a "**Borrower**") and each member of the Group (other than the Purchaser) (as lenders) (each a "**Lender**") pursuant to which the Borrowers would make a sterling revolving credit facility of up to an aggregate amount of £65,000,000 available to the Lenders, to include a loan of £26,802,000 to be made by the Company to DCL to refinance the Indebtedness,
- (f) a credit facilities agreement (i) and a debt purchase agreement (ii) proposed to be entered into between the Company, CCL (together "**ABL Borrowers**") and

Landsbanki CF (together, the "**ABL Agreements**") pursuant to which Landsbanki CF would make available to the ABL Borrowers an inventory facility, an issuance facility and an invoice discounting facility of up to a maximum aggregate amount of £8,000,000 (the "**ABL Facilities**") By entering into the ABL Agreements, the Company will give certain representations and warranties, covenants, indemnities and rights of set-off to enable Landsbanki CF to make the ABL Facilities available, and

- (g) a corporate guarantee proposed to be entered into by the Company and each other member of the Group in favour of Landsbanki CF pursuant to which the Company would guarantee the payment and discharge by the ABL Borrowers of their obligations and liabilities to Landsbanki CF under the ABL Agreements and further indemnify Landsbanki CF in respect of such liabilities,

the documents referred to in (a) to (g) above referred to together as the "**Documents**"

The original Statutory Declarations and their annexed auditors' reports required by Section 156(4) of the Companies Act 1985 have been made available to the sole member of the Company

- 4 **THAT** the Company is receiving full and fair consideration for the obligations it is undertaking in accordance with the terms thereof and accordingly, such entry and granting, and the giving of such financial assistance, is in the best economic, strategic, financial and commercial interests of the Company and notwithstanding any personal interest, the board of directors of the Company be and it is hereby specifically authorised, empowered and directed in the name of and on behalf of the Company to

- (a) execute and deliver each of the Documents in the form produced to the meeting or with such amendments as they shall in their discretion approve, and
- (b) enter into such documentation and to take such action as may be required in order to carry out the matters referred to above



For and on behalf of
Austin Reed Group Limited

A copy of this resolution was provided to the auditors at the same time as to the sole member