

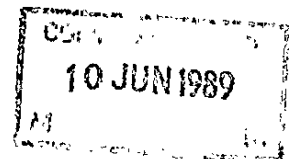
Company Number 1095274
The Companies Act 1985
Hugo Russell & Co. Limited

NOTICE IS HEREBY GIVEN that the following resolutions were passed as special resolutions of Hugo Russell & Co. Limited at the Annual General Meeting of the company held at 23 Harcourt House, 19 Cavendish Square, London W1M 9AB on *19th May 1989*
at *11 30* a.m:-
R

1. THAT the existing authorised share capital of the company be re-designated and divided into 2,500 "A" Ordinary Shares of £1 each and 2,500 "B" Ordinary Shares of £1 each such shares having the rights set out in the Articles of Association to be adopted pursuant to resolution 2.
2. THAT the Articles of Association contained in the document produced to the meeting and for the purposed of identification, initialled by the Chairman, be approved and adopted as the Articles of Association of the Company in substitution for and to the exclusion of the existing Articles of Association with effect from the date of this resolution.

[Signature]
.....
CHAIRMAN

19 May 1989
.....
Date



HUGO RUSSELL & CO LIMITED
("the Company") (Registered Number 1095274)

ARTICLES OF ASSOCIATION
(As adopted at the Annual General Meeting of the Company on
19th May 1989)

PRELIMINARY

1. The Company shall be a private company within the meaning of the Companies Act 1985 (hereinafter referred to as "the Act") and subject as hereinafter provided the regulations contained or incorporated in Table A in the Companies (Tables A to F) Regulations 1985 (hereinafter referred to as "Table A") shall apply to the Company. Reference to any provisions of the Act shall where the context so admits be construed as and include a reference to such provision as modified by any statute for the time being in force.
2. Regulations 8, 23, 24, 61, 73, 74, 75, 80, 81, 84, 89, 95, 97 and 118 of Table A shall not apply to the Company, but the Articles hereinafter contained, together with the remaining regulations of Table A, but subject to the modifications hereinafter expressed, shall constitute the regulations of the Company.

SHARE CAPITAL

- 3.1 The authorised share capital of the Company at the date of the adoption of these Articles is £10,000 divided into 10,000 Ordinary Shares of £1 each (of which 5,000 are in issue fully paid up or credited as fully paid) divided into:-
 - 3.1.1 5,000 'A' Shares of £1 each (of which 2,500 are in issue fully paid up or credited as fully paid);
 - 3.1.2 5,000 'B' Shares of £1 each (of which 2,500 are in issue fully paid up or credited as fully paid);
- 3.2 For the purposes of Section 80 of the Act, the Directors shall have general and unconditional authority to allot any relevant securities up to the maximum amount hereinafter laid down. The maximum amount of relevant securities which may be allotted under the authority hereby conferred shall be the amount which would result in the issue of all the shares in the Company for the time being unissued. The authority hereby conferred shall expire five years after the date of adoption of this Article unless, renewed, varied or revoked by ordinary resolution of the Company, in general meeting at any time.
- 3.3 The Company may for the purpose of Section 80(7) of the Act prior to the expiry of the authority conferred

by Article 3.2 or any variation or renewal of such authority make any offer or agreement which would or might require relevant securities to be allotted after such expiry and the authority so conferred shall be construed accordingly and the Directors may allot relevant securities notwithstanding that the authority so conferred has expired.

- 3.4.1 For the purposes of Section 95(1) of the Act the Directors shall have power to allot equity securities pursuant to the authority conferred by Article 3.2 as if Section 89(1) of the Act did not apply to the allotment.
- 3.4.2 For the purposes of Section 95(3) of the Act the power conferred by Article 3.4.1 shall cease to have effect when the authority to which it relates is revoked, or would, if not reviewed, expire provided always that if the authority to which the said power relates is renewed such power may also be renewed by special resolution of the Company for a period not longer than that for which the authority is renewed.
- 3.4.3 For the purposes of Section 95(4) of the Act, the power conferred by Article 3.4.1 or any renewal thereof under Article 3.4.2 enables the Company prior to the expiry of such power to make an offer or arrangement which would or might require equity securities to be allotted under the expiry of such power and the Directors may allot equity securities in pursuance to such offer or arrangement notwithstanding that such power has expired.
- 3.5 Subject to the provisions of the Act and save as otherwise provided by these Articles all unissued shares which the Directors are authorised to allot shall be under the control of the Directors who may allot, grant options over, or otherwise deal with or dispose of them to such persons at such times and generally on such terms and conditions and in such manner as they may determine.
- 3.6 Subject to the provisions of the Act and to any direction to the contrary that may be given by special resolution and save as otherwise provided by these Articles, all unissued shares of the Company shall, before issue, be offered to such persons as at the date of the offer are entitled to receive notices from the Company of general meetings in proportion, as nearly as the circumstances admit, to the number of existing shares held by them. The offer shall be made by notices specifying not less than fourteen days within which the offer, if not accepted, will be deemed to have been declined and after the expiration of that time, or on receipt of an intimation from the person to whom the offer is made that he declines to accept the shares offered, whichever is the earlier, the Directors may

dispose of those shares in such manner as they think fit but on no more favourable terms than those offered to existing holders of shares. The Directors may likewise dispose of any new shares in such manner as they think fit which are incapable of being offered rateably as aforesaid except by way of fractions.

3.7 In this Article "relevant securities" and "equity securities" shall have the meanings ascribed thereto in Section 80(2) and 94 of the Act respectively and references to the allotment of "relevant securities" and "equity securities" shall be construed in the same manner as in those Sections respectively.

4. The rights and restrictions attaching to the two classes of shares set out in Article 3 above are as follows:-

4.1 As Regards Income

4.1.1 Each of the 'A' Shares shall confer upon the holders thereof the priority right ("the Priority Right") to receive rateably inter se not less than one third of the Company's distributable profits in each accounting reference period of the Company commencing with that accounting reference period which will come to an end on the 31st December 1989 or in the event of any change in the Company's accounting reference period in the next accounting period succeeding that accounting reference period of the Company which came to an end on the 31st December 1988 in the form of dividends or interim dividends ("the Priority Dividends") which respectively the Company or the Directors shall be obliged to distribute and determine to distribute in respect of each such accounting period of the Company.

4.1.2 The Priority Right shall cease to have effect upon the happening of either of the following events whichever shall first occur

4.1.2.1 when the cumulative total of the Priority Dividends (gross of any deductions for ACT) reaches eight hundred thousand pounds (£800,000); or

4.1.2.2 upon the exercise of the 'B' holders Option defined in Article 5 below by the then holders of the 'B' Shares

4.1.3 Subject to the Priority Right each of the 'A' Shares shall confer upon the holders thereof the right to receive rateably inter se 50% of the aggregate amount or amounts of any dividend or interim dividend which respectively the Company or the Directors may determine to distribute in respect of each accounting reference period of the Company out of the Company's distributable profits after making provision for the Priority Right

4.1.4 The expressions "distributable profits" and "accounting reference period" shall be given the meanings respectively ascribed thereto by S.152(1)(b) and S.224 of the Act

4.1.5 Subject to the 'A' holders Priority Right each of the 'B' Shares shall confer upon the holders thereof the right to receive rateably inter se 50% of the aggregate amount or amounts of any dividend or interim dividend which respectively the Company or the Directors may determine to distribute in respect of each financial year or other accounting period of the Company.

4.2 As Regards Capital

On a return of capital whether on a liquidation or otherwise the assets of the Company available for distribution ("the assets") amongst the members shall be applied as follows:-

4.2.1 in paying pari passu to the holders of the 'A' Shares in the same proportions or as near thereto as the circumstances admit, as their holding of 'A' Shares bears to the number of 'A' Shares then in issue an amount equal in value to what remains of the assets after deduction of the Relevant Proportion from the value of the assets where the Relevant Proportion shall be represented by the calculation

$$\frac{\text{£100,000} + \frac{1}{2} A}{\text{£1 million}} \times B$$

where 'A' equals the cumulative total of the Priority Dividends (gross of any deductions for ACT) paid or payable to the holders of the 'A' Shareholders pursuant to the Priority Right and 'B' equals the value of the assets as certified by the auditors for the time being of the Company acting as experts and not as arbitrators

4.2.2 to the extent that there are any 'B' Shares then in issue and designated as such in paying pari passu to the holders of the 'B' Shares in the same proportions, or as near thereto as the circumstances admit, as their holding of 'B' Shares bears to the number of 'B' Shares then in issue an amount equal in value to the Relevant Proportion of value of the assets;

4.3 As Regards Voting

4.3.1 For so long as there are any 'A' Shares in issue and designated as such the holders of the 'A' Shares shall be entitled as a class on a poll to cast subject to Article 4.3.4 below such number of votes as equals 50% of all votes cast on any resolution

4.3.2 For so long as there are any 'B' Shares in issue and designated as such the holders of the 'B' Shares shall be entitled as a class on a poll to cast such number of votes as equals 50% of all votes cast on any resolution.

4.3.3 The holders of the 'A' Shares shall be entitled to appoint to the Board of the Company one 'A' Director (with the special powers referred to in Article 7 below) and require his removal giving in each case 7

days notice to the holders of the 'B' Shares of such appointment or renewal

- 4.3.4 The holders of the 'B' Shares shall be entitled to appoint to the Board of the Company one 'B' Director (with the special powers referred to in Article 7 below) and require his removal giving in each case 7 days notice to the holders of the 'A' Shares of such appointment and renewal
- 4.3.5 Any holder of 'A' or 'B' Shares may demand a poll and Regulation 46 of Table A shall be modified accordingly.
- 4.3.6 Any holder of 'A' or 'B' Shares, who is also a Director of the Company (a "Shareholder Director") shall be entitled at any general meeting of the Company called to consider the question of his removal from office as Director to demand in person or by proxy a poll on the resolution proposing his removal from Office (which poll shall be taken forthwith) and he shall be entitled to cast in person or by proxy such number of votes against the resolution as is equal to five times the number of votes cast in favour of the resolution.

Provided that the provisions of this Article 4.3.6 shall not apply:-

- 4.3.6.1 if the Shareholder Director is convicted of any fraud or other indictable offence.
- 4.3.6.2 if the Shareholder Director becomes bankrupt or makes any arrangement or composition with his creditors
- 4.3.6.3 if the Shareholder Director is certified by a competent authority as being of unsound mind.
- 4.3.6.4 if any order is made against the Shareholder Director under the Company Directors Disqualification Acts 1986 or any similar order is made under any amendments re-enactment or consolidation of such provisions or any Shareholder Director ceases to be lawfully capable of holding the office of Director of a Company.
- 4.3.6.5 if the Shareholder Director shall be guilty of serious neglect of his duty as a Director of the Company or any of its Subsidiaries and shall so continue in such neglect having received not less than 7 days written notice from any holder of 'A' Shares or 'B' Shares requiring that such neglect cease.

4.4 As Regards Class Rights

- 4.4.1 The special rights attached to any share may be varied, altered or abrogated with the consent in writing of the holders of three-quarters of the issued shares of that class or with the sanction of an extraordinary resolution passed at a separate meeting of the holders of the class but not otherwise. To every such meeting all the provisions of the Articles relating to general

meetings of the Company shall (mutatis mutandis) apply save that:-

the quorum necessary shall be two persons holding or representing by proxy at least one-third in nominal value of the issued Shares of that class but if at any adjourned meeting a quorum is not present then the numbers present shall be a quorum; and

- 4.4.2 Without prejudice to the generality of Article 4.4.1 above any of the following matters shall be deemed to be a variation of the Special rights attached to the 'A' Shares for so long as the 'A' Shares are in issue and designated as such:-
- 4.4.2.1 any alteration or addition to or reduction of the authorised or issued share capital for the time being of the Company or any issue of options for or obligations of any kind convertible into shares, whether by capitalisation of reserves or otherwise.
- 4.4.2.2 any creation of any further class of share
- 4.4.2.3 any alteration of the Memorandum and Articles of Association of the Company or of any of its subsidiaries and Articles 2 to 12 (inclusive) of the Articles of Association of the Company as amended.
- 4.4.2.4 any alteration of the accounting reference period of the Company.
- 4.4.2.5 any alteration to the Priority Right.

TERMINATION OF THE 'A' SHAREHOLDERS PRIORITY RIGHT

- 5.1 Upon the holders of the 'B' Shares giving 14 days notice to the holders of the 'A' Shares ("the Termination Notice") requiring the redesignation of 'A' Shares and 'B' Shares as Ordinary Shares ranking pari passu with each other in all respects, then following the expiration of the aforesaid 14 days period a cash payment shall be paid by the holders of the 'B' Shares to the holders of the 'A' Shares calculated as follows:-

$$X - \frac{Y}{2} = Z$$

X = 400,000

Y = the sum of dividends paid or payable to the "A" shareholders (inclusive of any deductions for ACT) less the sum of dividends paid or payable to the "B" shareholders (inclusive of any deductions for ACT).

Z = total payable to the "A" shareholders.

whereupon following such cash payment both the 'A' shares and 'B' shares shall be redesignated Ordinary Shares of £1 each in the Company ranking therefor pari passu with each other in all respects save in respect of any dividends declared by reference to a record date prior to the redesignation thereof.

- 5.2 Following redesignation of the 'A' Shares and 'B' Shares in accordance with the provisions of Article 5.1 the Company shall distribute to its shareholders by way of dividend not less than one third of its distributable profits in each accounting reference period.

TRANSFER OF SHARES

- 6.1 Subject to this Article and so long as there are 'A' Shares and 'B' Shares in issue and designated as such no share or any interest therein in the Company may be transferred save with the unanimous written consent of all the members of the Company and in the absence of such consent the Directors must refuse registration of any instrument of transfer.
- 6.2 The following transfers of shares or interests therein are permitted and on receipt of an instrument of transfer effecting such a permitted transfer the Directors shall register the transfer:-

any transfer of the 'A' Shares or 'B' Shares for the time being in issue and designated as such to:-

- 6.2.1 a member of the family of such holder of the 'A' Shares or 'B' Shares as the case may be or deceased holder; 'family' being defined as the husband, wife, widow, widower, child and remoter issue (including children by adoption) parent, brother, sister and child and remoter issue of any such brother or sister of any such holder;
- 6.2.2 the transferor and any person within the categories of persons listed in Articles 6.2.1, 6.2.3 and 6.2.4 as joint shareholders;
- 6.2.3 any person or persons acting in the capacity of trustee or trustees of a trust created by such holder (by deed or testamentary disposition) or upon any change of trustee or trustees provided that any such trust is primarily for the benefit of any such holder and/or members of his family and the voting rights conferred by any such shares are not exercisable by or subject to the consent of any person other than the trustee or trustees of the trust or any such holder or member of his family;

- 6.2.4 any person beneficially interested under the trust referred to the Article 6.2.3 being any such holder or a member of his family by the trustee or trustees of such trust;
- 6.2.5 the legal personal representatives of any deceased holder where by will or intestacy the persons beneficially entitled to any such shares (whether immediately or contingently) are members of the family of the deceased such holder and by the legal personal representatives of any deceased such holder's family.
- 6.3 Except in the case of a transfer of shares made pursuant to Article 6.2 (hereinafter called "a permitted transfer") the right to transfer a share or to dispose of a share or any interest in a share in the Company together with all rights attached thereto shall be subject to the following restrictions and provisions, namely:-
- 6.3.1 Any member who wishes to dispose of any of his shares in the Company (of whatever class) ("the transferor") shall first offer those shares to the other members of the Company at a price nominated by the transferor. The transferor shall simultaneously deliver to the registered office of the Company written notice of the proposed disposition of shares and the price of such shares nominated by the transferor ("the transfer notice")
- 6.3.2 The members of the Company (other than the transferor) shall have the right to purchase the shares of the transferor (and if more than one then pro rata between them in proportion to their shareholdings inter se) at the price nominated by the transferor (or such other price as may be agreed between the transferor and other members of the Company) within 30 days of delivery of the transfer notice to the registered office of the Company by the transferor
- 6.3.3 Each Member of the Company who wishes to purchase any of the shares specified in the transfer notice shall simultaneously deliver to the transferor and the registered office of the Company notice ("the purchase notice") specifying the number of shares he wishes to purchase and confirming that payment in full for the said shares will be made in consideration of receipt of executed share transfer forms and share certificates for the said shares no later than 31 days after delivery of the transfer notice in accordance with Article 6.3.1

6.3.4

If at the expiry of 30 days following delivery of the transfer notice the transferor has not received a purchase notice or purchase notices in respect of all of the shares specified in the transfer notice he shall be free to dispose of his shares to any person (whether or not he is a member of the Company) provided that the price payable to the transferor by the transferee for such shares shall not be less than that specified in the transfer notice.

DIRECTORS

- 7.1 Unless and until otherwise determined by the Company in General Meeting the number of Directors shall not be less than two nor more than four which number shall include one 'A' Director and one 'B' Director
- 7.2 The 'A' Director shall be appointed by majority decision of the holders of the 'A' shares and the 'B' Director shall be appointed by majority decision of the holders of the 'B' shares
- 7.3 No meeting of the Board of Directors shall be quorate unless both an 'A' Director and 'B' Director or their respective alternates are present in person
- 7.4 Any business to be conducted at such a Board Meeting requiring a decision of the Board may be declared by either the 'A' Director or 'B' Director as Special Business in which event only the votes of the 'A' and 'B' Director or their alternates voting in that capacity alone shall be valid for the purposes of conducting Special Business
8. Any director including an 'A' and 'B' Director may by notice in writing signed by him and deposited at the registered office of the Company appoint an alternate Director to act on his behalf. Such alternate Director must be either a Director of the Company, or a person approved by resolution of all the Directors for the time being of the Company. Every alternate Director shall during the period of his appointment be entitled to notice of Meetings of Directors and in the absence of the Director appointing him to attend and vote thereat as a Director, but his appointment shall immediately cease and determine if and when the Director appointing him ceases to hold offices as a Director. A Director who is also an alternate Director shall be entitled, in addition to his own vote, to a separate vote on behalf of the Director whom he is representing.
9. The Office of a Director shall be vacated if:-
- 9.1 by notice in writing delivered to the Company at its Registered Office, or tendered at a meeting of the Directors, he resigns the office of Director; or
- 9.2 he becomes bankrupt or makes any arrangement or composition with his creditors generally; or

- 9.3 he is, or may be, suffering from mental disorder and
- 9.3.1 either he is admitted to hospital in pursuance of an application for admission for treatment under the Mental Health Act 1983 or, in Scotland, an application for admission under the Mental Health (Scotland) Act 1960, or
- 9.3.2 an order is made by a Court having jurisdiction (whether in the United Kingdom or elsewhere) in matters concerning mental disorder for his detention or for the appointment of a receiver, curator bonis or other person to exercise powers with respect to his property or affairs; or
- 9.4 he ceases to be a Director by virtue of any provision of the Act or he becomes prohibited by law from being a director.

MANAGING DIRECTORS AND MANAGERS

10. The Directors may from time to time appoint one or more of their body to the office of Managing Director or Manager for such period and on such terms as they think fit and, subject to the terms of any agreement entered into in any particular case, may revoke such appointment. His appointment, subject to the payment to him of such compensation or damages as may be payable to him by reason thereof, shall be automatically terminated if he ceased from any cause to be a Director.

11. A Managing Director or Manager shall receive such remuneration (whether by way of salary, commission or participation in profits partly in one way and partly in another) as the Directors may determine.

INDEMNITY

12. 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 may be indemnified out of the assets of the Company against any liability incurred by him in defending any proceedings, whether civil or criminal in relation to the affairs of the Company.

NOTICE

13. For the purposes of these Articles of Association notices shall be given by a party other than the Company in accordance with the requirements of Regulations 111 to 116 inclusive of Table A (mutatis mutandis).